NEW ISSUE - BOOK-ENTRY ONLY **RATINGS: (See "RATINGS" herein)**

In the opinion of Bond Counsel, under existing law and assuming compliance with certain arbitrage rebate and other tax requirements referred to herein, interest on the 2024B Bonds (as defined herein) is excludable from gross income for federal income tax purposes, except no opinion is expressed as to the exclusion from gross income of interest on any 2024B Bond for any period during which such 2024B Bond is held by a person who is a "substantial user," within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"), of any project financed or refinanced with proceeds of the 2024B Bonds, or a "related person" to such a "substantial user." It is also the opinion of Bond Counsel that interest on the 2024B Bonds will be treated as an item of tax preference in computing the alternative minimum tax imposed on certain individuals under the Code and will be included in the "adjusted financial statement income" of certain corporations on which the federal alternative minimum tax is imposed under the Code. For a further description of the consequences to holders of the 2024B Bonds of other provisions of the Code, see "TAX MATTERS" herein.

Tampa International Airport

HILLSBOROUGH COUNTY AVIATION AUTHORITY, FLORIDA
$462,975,000
Tampa International Airport
Revenue Bonds, 2024 Series B (AMT)

Dated: Date of Delivery **Due:** October 1 as shown on the inside front cover

The Hillsborough County Aviation Authority (the "Authority") is issuing its Tampa International Airport Revenue Bonds, 2024 Series B (AMT) in the aggregate principal amount of $462,975,000 (the "2024B Bonds"). The 2024B Bonds are being issued under a Trust Agreement and Resolution (both as defined herein).

Proceeds from the 2024B Bonds will be used for the purpose of (i) financing a portion of the cost of the 2024 Projects, including capitalized interest, as more particularly described herein, (ii) funding deposits in the common Reserve Account and held for the benefit of certain Bonds (as defined herein), including, without limitation, the 2024B Bonds, and (iii) paying certain costs of issuance incurred in connection with the issuance of the 2024B Bonds. See "THE PLAN OF FINANCE" and "ESTIMATED SOURCES AND USES OF THE 2024B BONDS PROCEEDS."

The 2024B Bonds are being issued in fully registered form and, when initially issued, will be registered to Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of beneficial interests in the 2024B Bonds will be made in book-entry form only in the principal amount of $5,000 or any integral multiple thereof. Purchasers of beneficial interests in the 2024B Bonds will not receive physical delivery of bond certificates. Interest on the 2024B Bonds will accrue from their date of issuance and will be payable semi-annually on October 1 and April 1 in each year, commencing April 1, 2025.

The 2024B Bonds will be subject to optional and mandatory redemption prior to their stated maturity as set forth herein. See "DESCRIPTION OF THE 2024B BONDS – Redemption."

The 2024B Bonds are payable solely from and secured by a lien on the Revenues (as defined herein) derived by the Authority from the operation of the Airport System (as defined herein), after the payment of Operating Expenses (as defined herein). Revenues include Available PFC Revenues (as defined herein), which may be used only to pay debt service on PFC Bonds (as defined herein). The 2024B Bonds will not be designated as PFC Bonds and thus will not be secured by Available PFC Revenues. The 2024B Bonds will be on a parity with other Outstanding Bonds (as defined herein) heretofore issued by the Authority as well as any Additional Bonds (as defined herein and, together with the Outstanding Bonds, the "Bonds") issued from time to time under the Trust Agreement. See "FINANCIAL FACTORS – Outstanding Bond and Note Indebtedness" and "SECURITY FOR THE 2024B BONDS."

The holders of the 2024B Bonds, by acceptance of their respective 2024B Bonds, shall be deemed to have consented to and approved certain amendments to the Trust Agreement as set forth herein. See "AMENDMENTS TO THE TRUST AGREEMENT" herein for more information.

The 2024B Bonds do not constitute a general indebtedness of the Authority, Hillsborough County, Florida (the "County"), the City of Tampa, Florida (the "City"), or any other political subdivision in the State of Florida (the "State") within the meaning of any constitutional, statutory or charter provision or limitation. Neither the faith and credit nor taxing power of the Authority, the County, the City, the State or any other political subdivision of the State is pledged to the payment of the 2024B Bonds.

The 2024B Bonds are offered when, as and if issued, subject to the approval of legality by Holland & Knight LLP, Tampa, Florida, Bond Counsel. GrayRobinson, P.A., Tampa, Florida, is acting as Disclosure Counsel for the Authority. Certain legal matters are being passed upon for the Underwriters by their counsel, Bryant Miller Olive P.A., Tampa, Florida and for the Authority by Michael T. Kamprath, Esq., Assistant General Counsel. It is expected that definitive Bonds will be available for delivery to the Underwriters through the facilities of DTC, on or about August 22, 2024.

J.P. Morgan

Barclays **BofA Securities**

Raymond James **RBC Capital Markets**

Dated: August 8, 2024

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES AND CUSIP NUMBERS

HILLSBOROUGH COUNTY AVIATION AUTHORITY, FLORIDA

$462,975,000
Tampa International Airport Revenue Bonds,
2024 Series B (AMT)

$215,300,000 Serial Bonds

Maturity (October 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP NUMBER**
2027	$ 575,000	5.000%	3.330%	104.889	432308U77
2028	8,295,000	5.000	3.360	106.240	432308U85
2029	8,705,000	5.000	3.390	107.490	432308U93
2030	9,145,000	5.000	3.440	108.525	432308V27
2031	9,605,000	5.000	3.520	109.232	432308V35
2032	10,085,000	5.000	3.600	109.765	432308V43
2033	10,585,000	5.000	3.640	110.459	432308V50
2034	11,115,000	5.000	3.670	111.144	432308V68
2035	11,670,000	5.000	3.730*	110.609	432308V76
2036	12,250,000	5.000	3.820*	109.814	432308V84
2037	12,865,000	5.000	3.880*	109.287	432308V92
2038	13,510,000	5.000	3.890*	109.200	432308W26
2039	14,190,000	5.000	3.940*	108.764	432308W34
2040	14,895,000	5.250	3.950*	110.743	432308W42
2041	15,675,000	5.250	3.990*	110.392	432308W59
2042	16,500,000	5.250	4.040*	109.955	432308W67
2043	17,360,000	5.250	4.100*	109.434	432308W75
2044	18,275,000	5.250	4.170*	108.829	432308W83

$107,355,000 5.500% Term Bonds due October 1, 2049, Yield 4.270%* Price 110.007; CUSIP Number 432308W91**
$140,320,000 5.500% Term Bonds due October 1, 2054, Yield 4.330%* Price 109.491; CUSIP Number 432308X25**

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* Yield calculated to first optional redemption date of October 1, 2034.

HILLSBOROUGH COUNTY AVIATION AUTHORITY

MEMBERS

Brig. General Chip Diehl, Chairman
Gary W. Harrod, Vice Chairman
Robert I. Watkins, Treasurer
Jane Castor, Secretary
(Mayor, City of Tampa)
Harry Cohen, Assistant Secretary/Assistant Treasurer
(County Commissioner, Board of County Commissioners of Hillsborough County)

AUTHORITY MANAGEMENT

Joseph W. Lopano*, Chief Executive Officer
Damian L. Brooke, Executive Vice President of Finance, Procurement, and Capital Programs
Christopher D. Minner, Executive Vice President of Marketing and Communications
Smitha Radhakrishnan, Executive Vice President of Planning & Development and Maintenance
Michael A. Stephens, Esq., General Counsel and Executive Vice President Human Resources & ITS
John M. Tiliacos, Executive Vice President of Operations and Customer Service
Tony Conza, Vice President of Finance
Michael T. Kamprath, Esq., Assistant General Counsel

BOND COUNSEL

Holland & Knight LLP
Tampa, Florida

DISCLOSURE COUNSEL

GrayRobinson, P.A.
Tampa, Florida

FINANCIAL ADVISOR

Frasca & Associates, LLC
New York, New York

AIRPORT CONSULTANT

Ricondo & Associates, Inc.
Cincinnati, Ohio

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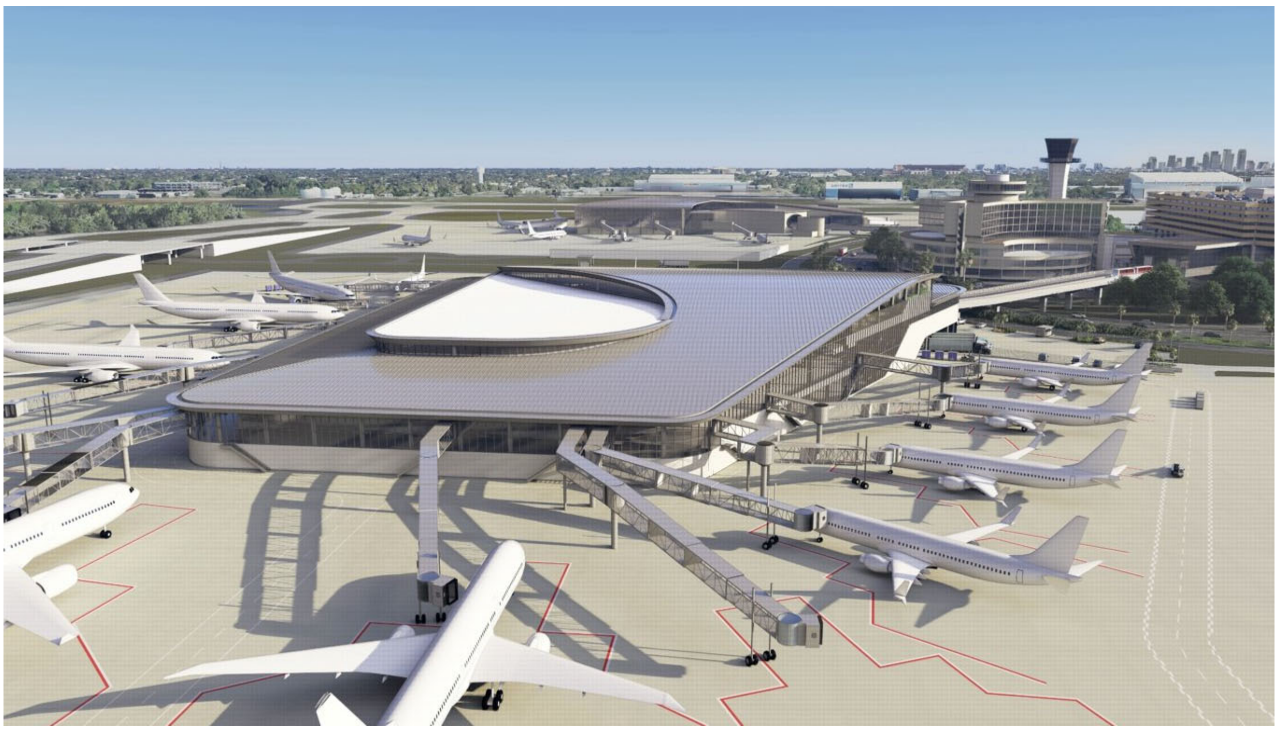
* Mr. Lopano has announced his plan to retire at the end of his contract which currently expires April 5, 2025. The Authority has begun the process of selecting a replacement, with the Board directing the CEO search committee to begin interviews with four internal candidates, including Damian L. Brooke, Executive Vice President of Finance, Procurement, and Capital Programs, Christopher D. Minner, Executive Vice President of Marketing and Communications, Michael A. Stephens, Esq., General Counsel and Executive Vice President, and John M. Tiliacos, Executive Vice President of Operations and Customer Service.



*Rendering of Airside D above is preliminary and subject to change.

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NO DEALER, BROKER, ACCOUNT EXECUTIVE, FINANCIAL CONSULTANT OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, IN CONNECTION WITH THE OFFERING OF THE 2024B BONDS DESCRIBED HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE AUTHORITY OR THE UNDERWRITERS. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL THE 2024B BONDS OR A SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE 2024B BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

STATEMENTS IN THIS OFFICIAL STATEMENT INVOLVING ESTIMATES, ASSUMPTIONS AND MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO STATED, ARE INTENDED SOLELY AS SUCH. THE INFORMATION HEREIN IS SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE AUTHORITY SINCE THE DATE HEREOF.

THIS OFFICIAL STATEMENT CONTAINS "FORWARD-LOOKING STATEMENTS" INCLUDING STATEMENTS CONCERNING THE AUTHORITY'S PLANS, OBJECTIVES, OPERATIONS AND ECONOMIC AND FINANCIAL PERFORMANCE. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED OR IMPLIED BY THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN. EXCEPT FOR CERTAIN INFORMATION DESCRIBED HEREIN UNDER THE SECTION CAPTIONED "CONTINUING DISCLOSURE," THE AUTHORITY DOES NOT INTEND TO ISSUE ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENTS OR ANY OTHER INFORMATION PROVIDED HEREIN.

THE UNDERWRITERS MAY OFFER AND SELL THE 2024B BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE INITIAL PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGES OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS AFTER THE INITIAL PUBLIC OFFERING.

THE 2024B BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION ("SEC") UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE TRUST AGREEMENT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE 2024B BONDS IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE 2024B BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE 2024B BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

ALL SUMMARIES HEREIN OF DOCUMENTS AND AGREEMENTS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO SUCH DOCUMENTS AND AGREEMENTS, AND ALL SUMMARIES HEREIN OF THE 2024B BONDS ARE QUALIFIED IN THEIR ENTIRETY BY

REFERENCE TO THE FORM THERETO INCLUDE IN THE AFORESAID DOCUMENTS AND AGREEMENTS.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION (EXCEPT FOR INFORMATION UNDER THE SECTION CAPTIONED "UNDERWRITING").

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS FINAL OFFICIAL STATEMENT FOR PURPOSES OF, AND AS THAT TERM IS DEFINED IN, SEC RULE 15C2-12.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN EITHER BOUND OR PRINTED FORMAT ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM AND WWW.EMMA.MSRB.ORG. THIS OFFICIAL STATEMENT MAY BE RELIED ON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT, OR IF IT IS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITES. THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT BETWEEN THE AUTHORITY AND ANY UNDERWRITERS OR PURCHASERS OF THE 2024B BONDS.

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OFFICIAL STATEMENT

HILLSBOROUGH COUNTY AVIATION AUTHORITY, FLORIDA

$462,975,000
Tampa International Airport Revenue Bonds,
2024 Series B (AMT)

INTRODUCTION

This Official Statement, which includes the cover page, inside cover pages and appendices, furnishes information relating to the Hillsborough County Aviation Authority, Florida (the "Authority") and its Tampa International Airport Revenue Bonds, 2024 Series B (AMT) in the aggregate principal amount of $462,975,000 (the "2024B Bonds").

Purpose

Proceeds from the 2024B Bonds will be used for the purpose of (i) financing a portion of the cost of the 2024 Projects (as hereinafter defined), including capitalized interest, as more particularly described herein, (ii) funding deposits in the common Reserve Account and held for the benefit of certain Bonds (as defined herein), including, without limitation, the 2024B Bonds, and (iii) paying certain costs of issuance incurred in connection with the issuance of the 2024B Bonds. See "THE PLAN OF FINANCE" and "ESTIMATED SOURCES AND USES OF THE 2024B BONDS PROCEEDS."

The Authority and the Airport System

The Authority, a public body, corporate and politic and an independent special district, operates Tampa International Airport (sometimes referred to herein as the "Airport") and three general aviation reliever airports. The Airport, the three general aviation reliever airports and any additions, extensions and improvements thereto hereafter constructed or acquired are referred to herein as the "Airport System." See "THE AUTHORITY" and "THE AIRPORT SYSTEM" herein for more information.

The Airport is primarily an origination-destination ("O&D") airport, serving the Tampa Bay region and surrounding area. The Airport's passenger enplanements in the Fiscal Year ended September 30, 2023 ("Fiscal Year 2023") totaled 11,560,792, an increase of 8.2% from the 10,688,831 enplanements in Fiscal Year 2022. International enplanements were 5.0% of total enplanements in Fiscal Year 2023 compared to 3.3% of total enplanements in Fiscal Year 2022. See "AIR TRADE AREA" herein and APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT" for more information.

2024 Projects and the Capital Program

The Airport is undergoing a major multi-year capital development undertaking. In 2013, the FAA approved the Airport's 2012 Master Plan Update, as subsequently revised by the 2022 Master Plan Update (collectively, the "Master Plan"). The projects in the Master Plan are collectively referred to herein as the "Master Plan Projects." The capital improvement program is referred to herein as the "CIP."

The Authority's CIP for Fiscal Year 2025 through Fiscal Year 2030 has an estimated cost of approximately $3.5 billion (the "Capital Program"), comprised of approximately $1.8 billion of 2024 Projects (as defined herein), approximately $456.2 million of 2022 Master Plan projects, and approximately $1.3 billion of additional CIP projects. The final phase of the 2012 Master Plan Update includes construction of the Airside D facility.

A portion of the proceeds of the 2024B Bonds will fund a portion of the costs of the Airside D facility and a portion of the CIP projects (collectively, the "2024 Projects"). See "THE PLAN OF FINANCE – The 2024 Projects" and "AIRPORT CAPITAL PROGRAM" herein for more information on the anticipated use of bond proceeds, the Capital Program, including descriptions of the 2024 Projects, and the Authority's expectations regarding the next Master Plan Update.

Authorization

The 2024B Bonds are being issued under the provisions of a Codified and Restated Trust Agreement effective on and after March 9, 2022 (the "Restated Trust Agreement"), as supplemented and amended by a Supplemental Trust Agreement dated as of August 1, 2024 (the "2024 Supplemental Trust Agreement" and, together with the Restated Trust Agreement, the "Trust Agreement"), each by and between the Authority and The Bank of New York Mellon, as Trustee (the "Trustee," "Paying Agent" and "Registrar"). The Authority adopted Resolution No. 2024-96 on August 1, 2024 (the "Resolution") authorizing the issuance of the 2024B Bonds and the execution of the 2024 Supplemental Trust Agreement.

The holders of the 2024B Bonds, by acceptance of their respective 2024B Bonds, shall be deemed to have consented to and approved certain amendments to the Trust Agreement. For more information regarding such amendments, see "AMENDMENTS TO THE TRUST AGREEMENT" herein and "APPENDIX D - 2024 SUPPLEMENTAL TRUST AGREEMENT" attached hereto.

Security for the 2024B Bonds

The 2024B Bonds are payable solely from and secured by a lien on the Revenues derived by the Authority from the operation of the Airport System, after the payment of Operating Expenses (as each such term is defined herein). Revenues include Available PFC Revenues (as defined herein) which may be used only to pay debt service on PFC Bonds (as defined herein). The 2024B Bonds will not be treated as PFC Bonds and thus will not be secured by Available PFC Revenues. The 2024B Bonds will be on a parity with other Outstanding Bonds (as defined herein) heretofore issued by the Authority as well as any Additional Bonds (as defined herein and, together with the Outstanding Bonds, the "Bonds") issued from time to time under the Trust Agreement. After the issuance of the 2024B Bonds, the aggregate principal amount of the Outstanding Bonds will be $1,346,585,400. See "FINANCIAL FACTORS – Outstanding Bond and Note Indebtedness," "SECURITY FOR THE 2024B BONDS," APPENDIX C – "RESTATED TRUST AGREEMENT" and APPENDIX D – "2024 SUPPLEMENTAL TRUST AGREEMENT."

The 2024B Bonds do not constitute a general indebtedness of the Authority, Hillsborough County, Florida ("the County"), the City of Tampa, Florida (the "City"), or any other political subdivision in the State of Florida (the "State") within the meaning of any constitutional, statutory or charter provision or limitation. Neither the faith and credit nor taxing power of the Authority, the County, the City, the State or any other political subdivision of the State is pledged to the payment of the 2024B Bonds.

Report of the Airport Consultant

The Airport has retained Ricondo & Associates, Inc. to serve as the airport consultant (the "Airport Consultant") in connection with the issuance of the 2024B Bonds. The Airport Consultant prepared the Report of the Airport Consultant dated August 1, 2024 (the "Consultant Report"). The Consultant Report is included as APPENDIX A and takes into consideration the issuance of the 2024B Bonds and the issuance of Additional Bonds to finance portions of the Airport's Capital Program. The Airport Consultant has provided its consent to include the Consultant Report in this Official Statement. See "REPORT OF THE AIRPORT CONSULTANT" herein and APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT."

Investment Considerations

The purchase and ownership of each Series of the 2024B Bonds involve investment risks. Prospective purchasers of the 2024B Bonds should read this Official Statement in its entirety. For a discussion of certain risks relating to the 2024B Bonds, see "CERTAIN INVESTMENT CONSIDERATIONS" herein.

Environmental Social Governances (ESG)

The Authority formally updated its Sustainable Management Plan in 2023, which was first developed in 2013. See "THE AIRPORT SYSTEM – Environmental Social Governances" herein for more information regarding environmental social governance programs of the Authority.

Additional Information

Brief descriptions of the 2024B Bonds, the Trust Agreement and certain other documents are included in this Official Statement and the appendices to this Official Statement. Such descriptions do not purport to be comprehensive or definitive. All references in this Official Statement to such documents and any other documents, statutes, laws, reports or other instruments described in this Official Statement are qualified in their entirety by reference to each such document, statute, law, report or other instrument. Information contained in this Official Statement has been obtained from officers, employees and records of the Authority and from other sources believed to be reliable. The information in this Official Statement is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Authority or the Airport since the date of this Official Statement. This Official Statement is not to be construed as a contract or agreement between the Authority and purchasers or owners of any of the 2024B Bonds. The Authority maintains certain websites (including an investor relations website) and social media accounts, the information on which is not part of this Official Statement and is not incorporated by reference in this Official Statement and should not be relied upon in deciding whether to invest in the 2024B Bonds.

Definitions of certain words and terms having initial capitals and used herein but not defined herein are set forth in the Trust Agreement included as APPENDIX C – "RESTATED TRUST AGREEMENT – Definitions," APPENDIX D – "2024 SUPPLEMENTAL TRUST AGREEMENT – Definitions."

THE AUTHORITY

The Authority is a public body corporate and is an independent special district pursuant to the provisions of Chapter 2022-252, Laws of Florida and acts amendatory thereof and supplemental thereto (the "Act"). The Act provides that the Authority shall have exclusive jurisdiction, control, supervision and management over all publicly owned airports in the County. Pursuant to the Act, there are five Authority Board members, consisting of three residents of the County appointed to the Authority by the Governor of the State for four year terms; the Mayor of the City, ex officio; and a Commissioner of (and selected by) the Board of County Commissioners of the County, ex officio.

Under the Act, the Authority has no power at any time or in any manner to pledge the taxing power of the County, the City, or any political subdivision or agency thereof, nor shall any of the obligations issued by the Authority be deemed to be obligations of the County, the City, the State or any political subdivision or agency thereof secured by and payable from ad valorem taxes. The Act grants the Authority certain discretionary powers, including, without limitation, the power to adopt a resolution as may be required to levy an ad valorem tax, not to exceed 1.5 mills per annum, on all the taxable real and personal property in the County, and submit the same to the Board of County Commissioners of the County; provided, however, the Authority has not previously adopted such a resolution in over 40 years.

Under the Act, the State has pledged to any person acquiring bonds issued by the Authority for the construction, extension, improvement or enlargement of Authority Facilities defined in the Act as "an airport, airports and other aviation facilities and facilities related thereto and any portion thereof, air navigation facilities and special purpose facilities and any portion thereof," that the State will not limit or alter the rights vested in the Authority by the Act until all bonds at any time issued, together with the interest thereon, are fully paid and discharged.

DESCRIPTION OF THE 2024B BONDS

General

The 2024B Bonds will bear interest at the respective rates and mature on the dates and in the respective amounts set forth on the inside cover pages of this Official Statement. Interest on the 2024B Bonds will accrue from their date of delivery and is payable commencing on April 1, 2025, and semi-annually thereafter on October 1 and April 1 of each year. Principal and premium, if any, on the 2024B Bonds will be paid by the Trustee, at its corporate trust office in New York, New York. Interest on the 2024B Bonds will be paid by electronic transfer, check or draft delivered or mailed to the registered owners at their accounts or addresses as they appear on the registration books at the close of business on the 15th day (whether or not a business day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange subsequent to the Record Date and prior to such interest payment date. Payment of principal of, upon presentation and surrender, or interest on the 2024B Bonds may, at the election of a registered owner of $1,000,000 or more in aggregate principal amount of each Series of 2024B Bonds, by written request delivered to the Trustee at least 10 days prior to the applicable Record Date, be transmitted to such registered owner by wire transfer to an account in the continental United States designated by such registered owner. Any such written election may state that it will apply to all subsequent payments due with respect to the 2024B Bonds held by such registered owner until a subsequent written notice is filed with the Trustee.

The 2024B Bonds are being issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as securities depository for the 2024B Bonds. Purchases of beneficial interests in the 2024B Bonds will be made in book-entry form only, in denominations of $5,000 or any integral multiple thereof of each Series of 2024B Bonds. Purchasers of beneficial interests in the 2024B Bonds will not receive certificates representing their interests in the 2024B Bonds. So long as DTC or its nominee, Cede & Co., is the registered owner, payments with respect to the 2024B Bonds will be made directly to Cede & Co. Disbursements of such payments to the Direct Participants of the DTC book entry system are the responsibility of DTC, and disbursements of such payments to beneficial owners are the responsibility of the Direct Participants and the Indirect Participants. Neither the Authority nor the Trustee shall be responsible for distributions to the beneficial owners or for providing notices that the Authority may, or is required to, deliver to registered owners. Only DTC will be treated as the holder of the 2024B Bonds for purposes of the Trust Agreement. See APPENDIX F – "DTC INFORMATION" for a description of DTC, and certain of their responsibilities, and the provisions for registration and registration of transfer of the 2024B Bonds if the book-entry-only system of registration is discontinued.

Redemption

Optional Redemption for 2024B Bonds. The 2024B Bonds maturing on or after October 1, 2035 may be redeemed prior to their maturity, at the option of the Authority, from time to time, in whole or in part on any date on or after October 1, 2034, in such amounts and in such order of maturity or Sinking Fund Installments as the Authority may determine and set forth in its notice of redemption to the Trustee, and by lot or as the Authority may designate, within a maturity or Sinking Fund Installment if less than all, at the redemption price of one-hundred percent (100%) of the principal amount of the 2024B Bonds to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption for 2024B Bonds. The 2024B Bonds maturing on October 1, 2049 are subject to mandatory redemption on the dates set forth below at the redemption price of par plus accrued interest and without premium (each such redemption to be treated as a Sinking Fund Installment for the 2024B Bonds referred to below):

2024B Term Bonds due October 1, 2049:

Amount to be Redeemed	Redemption Date (October 1)
$19,235,000	2045
20,295,000	2046
21,410,000	2047
22,585,000	2048
23,830,000	2049*

*Final Maturity

The 2024B Bonds maturing on October 1, 2054 are subject to mandatory redemption on the dates set forth below at the redemption price of par plus accrued interest and without premium (each such redemption to be treated as a Sinking Fund Installment for the 2024B Bonds referred to below):

2024B Term Bonds due October 1, 2054:

Amount to be Redeemed	Redemption Date (October 1)
$25,140,000	2050
26,525,000	2051
27,980,000	2052
29,525,000	2053
31,150,000	2054*

*Final Maturity

Notice of Redemption

Notice of any such redemption, either in whole or in part, signed by the Trustee (a) shall be submitted to the Municipal Securities Rulemaking Board's EMMA (as defined herein) System, (b) shall be filed with the Paying Agent, and (c) shall be electronically delivered or mailed by regular mail, postage prepaid or delivered by such other means as the Authority, with reasonable notice, may direct in accordance with the then prevailing custom and practice, to all registered owners of the 2024B Bonds or portions of the 2024B Bonds to be redeemed at their addresses as they appear on the registration books, at least twenty (20) days prior to the Redemption Date, in the manner provided in the Trust Agreement; but failure so to deliver any such notice shall not affect the validity of the proceedings for such redemption with respect to which no failure or defect occurred. Any notice delivered in accordance with the foregoing requirements shall be conclusively presumed to have been given whether or not the registered owners, or any of them, actually receive such notice.

Each notice of redemption shall contain the date fixed for redemption, the redemption price to be paid and, if less than all of a Series of the 2024B Bonds Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such 2024B Bonds to be redeemed and, in the case of 2024B Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. Each notice of redemption shall also contain (a) the CUSIP numbers of all 2024B Bonds being redeemed, if CUSIP numbers are then in general use; (b) the date of issue of the 2024B Bonds as originally issued; (c) the rate of interest borne by each 2024B Bonds being redeemed; (d) the maturity date of each 2024B Bonds being redeemed; (e) the publication date, if any, of the official notice of redemption; (f) the name and address of the Registrar; and (g) any other descriptive information needed to identify accurately the 2024B Bonds being redeemed.

Conditional Call

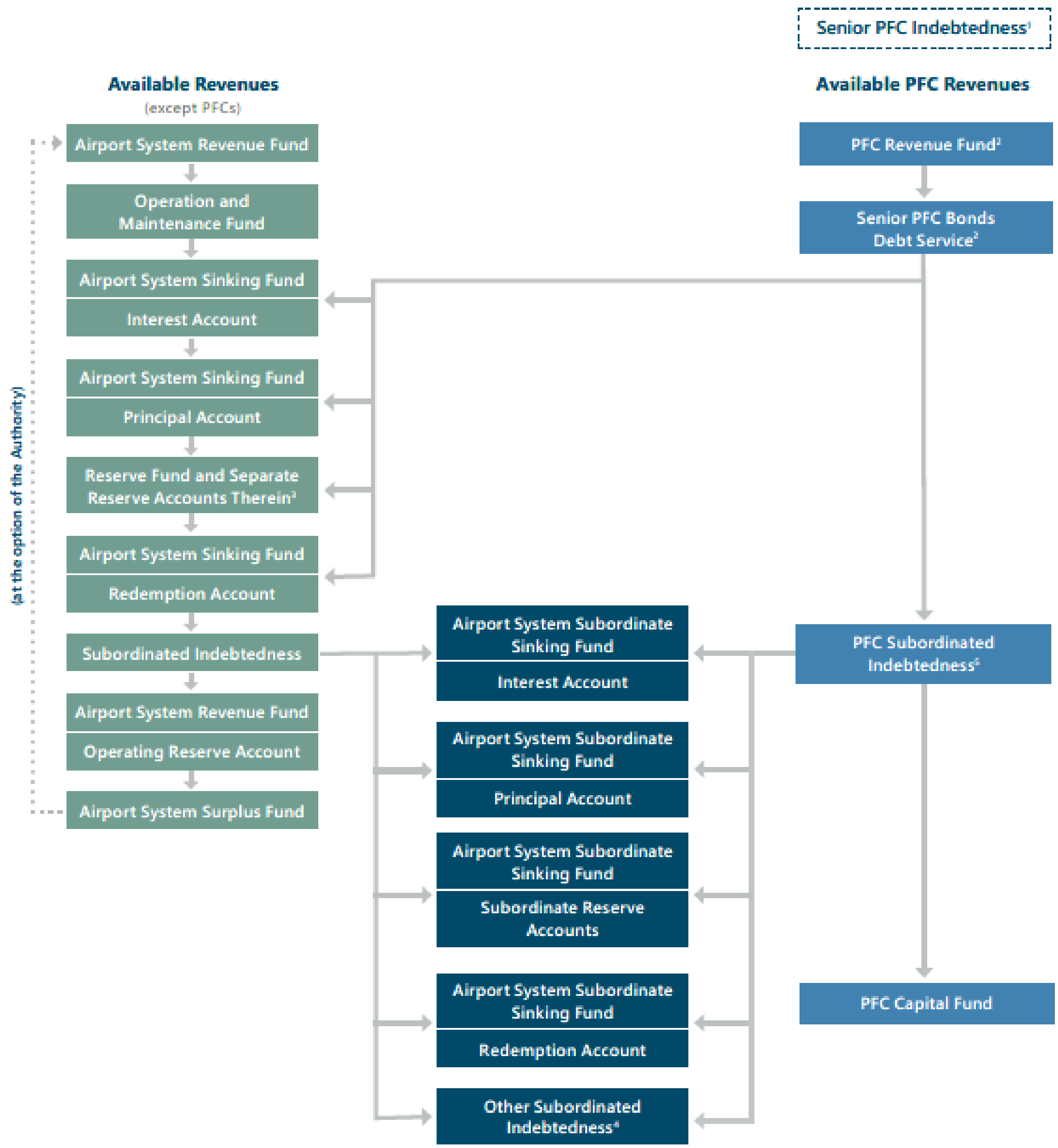
The Authority reserves the right (i) to condition any optional notice of redemption upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption, and (ii) to revoke any notice of optional redemption at any time prior to the redemption date for any reason. Notwithstanding any other provision of the Trust Agreement if, on any day preceding any date fixed for redemption of 2024B Bonds pursuant to the Trust Agreement the Authority notifies the Trustee in writing that the Authority has elected to revoke its election to redeem such 2024B Bonds, for any reason, the 2024B Bonds, shall not be redeemed on such date and any notice of redemption mailed to the Holders pursuant to the Trust Agreement shall be null and void. In such event, after the date on which the Trustee receives notice of such revocation, the Trustee, as applicable, at the direction of such Trustee, shall cause a notice of such revocation in the name of the Trustee to be mailed to all Holders owning such 2024B Bonds.

THE 2024 PROJECTS

Proceeds from the 2024B Bonds will be used for the purpose of (i) financing a portion of the cost of the 2024 Projects, including capitalized interest, as more particularly described herein, (ii) funding deposits in the common Reserve Account and held for the benefit of certain Bonds (as defined herein), including, without limitation, the 2024B Bonds, and (iii) paying certain costs of issuance incurred in connection with the issuance of the 2024B Bonds. See "ESTIMATED SOURCES AND USES OF THE 2024B BONDS PROCEEDS" herein for more information.

The 2024 Projects are expected to consist of the Airside D project which has a total cost of approximately $1.5 billion, as well as certain CIP projects described herein. The total budgeted cost of the 2024 Projects is approximately $1.8 billion, of which approximately $425.0 million is anticipated to be funded with proceeds from the 2024B Bonds. See "AIRPORT CAPITAL PROGRAM – The 2024 Projects" herein for a more complete description of the projects expected to be funded with proceeds of the 2024B Bonds. See "AIRPORT CAPITAL PROGRAM" herein and "APPENDIX A - REPORT OF THE AIRPORT CONSULTANT" attached hereto for more information.

FLOW OF FUNDS UNDER THE TRUST AGREEMENT



NOTES:

1 No such debt is presently outstanding.

2 Available PFC Revenues are required to be deposited into the Interest Account, the Principal Account and the Redemption Account Under the Senior Trust Agreement in an amount equal to the monthly deposit requirements with respect to the PFC Bonds, and then to the replenishment of any reserve account established for PFC Bonds, and then to the payment of debt service on PFC Subordinated Indebtedness.

3 To the extent required to fund deficiencies in the separate reserve accounts established in the Reserve Fund for a particular series of PFC Bonds.

4 The Trust Note has a third lien status.

5 Amounts deposited for PFC Subordinated Indebtedness must be applied to debt service on PFC Bonds.

Source: Hillsborough County Aviation Authority.

See "AMENDMENTS TO THE TRUST AGREEMENT – Conceptual Amendments to the Trust Agreement" herein for more information regarding conceptual amendments to the Trust Agreement that may impact the flow of funds.

SECURITY FOR THE 2024B BONDS

Definitions of Certain Terms

The definitions set forth below are from the Trust Agreement and are not intended to be complete. See APPENDIX C – "RESTATED TRUST AGREEMENT – Definitions," and APPENDIX D – "2024 SUPPLEMENTAL TRUST AGREEMENT – Definitions," for terms having initial capitals and used herein and not defined below.

"Available PFC Revenues" means (i) with respect to the pledge and deposit requirements hereunder, the actual net PFC Revenues collected by the Authority, after all deposit requirements under and with respect to Senior PFC Indentures and (ii) for any historical or projected twelve month period relating to compliance with the parity Additional Bonds test set forth in the Trust Agreement or for purposes of determining compliance with the Rate Covenant set forth in the Trust Agreement, the actual net PFC Revenues collected or projected to be collected by the Authority during such period, less an amount equal to 100% of the Maximum Bond Service Requirement on the Senior PFC Indebtedness, if any, Outstanding at the time of such calculation. PFC Revenues may only be treated as Available PFC Revenues to the extent they are then included in the definition of Revenues and are pledged hereunder.

Available PFC Revenues secure only PFC Bonds issued under the Trust Agreement as so designated. The 2024B Bonds will not be designated as PFC Bonds and thus will not be secured by Available PFC Revenues.

"Gross Revenues" or "Revenues" shall mean Qualified Hedge Receipts and all rates, fees, rentals or other charges or income received by the Authority or accrued to the Authority from the operation of the Airport System, all as calculated in accordance with sound accounting practice, and other moneys pledged herein. Such term shall not, however, include gifts, grants, either federal, state or any other public body, ad valorem taxes or moneys paid to the Authority by the City or County, moneys derived by the Authority from Special Purpose Facilities, except ground rentals, or any other moneys not derived from the operation of said Airport System as defined in the Trust Agreement. Pursuant to the Supplemental Trust Agreement dated July 1, 2003 and executed in connection with the issuance of the Authority's Tampa International Airport Revenue Refunding Bonds, 2003 Series C and D, "Gross Revenues" or "Revenues" shall include any Available PFC Revenues until Available PFC Revenues have been released from the pledge under the Trust Agreement. Pursuant to the Supplemental Trust Agreement dated August 1, 2015 and executed in connection with the issuance of the 2015 Bonds, "Gross Revenues" or "Revenues" shall not include (i) "customer facility charges" imposed on On-Airport Car Rental Concessionaires as imposed by the Authority pursuant to Resolution No. 2011-106 as amended by Resolution No. 2014-36 and Resolution No. 2015-111, as amended, supplemented, restated or replaced from time to time (the "On-Airport CFCs"), (ii) "transportation facility charges" imposed on Off-Airport Car Rental Concessionaires pursuant to Resolution 2014-37, as amended, supplemented, restated or replaced from time to time (the "Off-Airport CFCs" and together with the On-Airport CFCs, the "CFCs") and (iii) payments made by Car Rental Concessionaires under their respective concessionaire agreements as contingent fee payments needed, together with CFCs, to enable the Authority to comply with its rate covenant entered into in connection with the issuance of standalone CFC Bonds (the "CFC Contingent Fee Payments"); provided that CFCs and CFC Contingent Fee Payments shall become and be treated as Gross Revenues for purposes of the Trust Agreement to the extent the Authority voluntarily deposits such amounts into the Revenue Fund under the Trust Agreement in the Fiscal Year in accordance with the terms of the indenture under which the standalone CFC Bonds are issued. See "FINANCIAL FACTORS – Outstanding Bond and Note Indebtedness," APPENDIX C – "RESTATED TRUST AGREEMENT" and APPENDIX D – "2024 SUPPLEMENTAL TRUST AGREEMENT." See also "AMENDMENTS TO THE TRUST AGREEMENT – Conceptual Amendments to the Trust Agreement" for a description of further additional changes that can occur to the definition of "Revenues."

"Maximum Bond Service Requirement" means, as of any particular date of calculation, the largest Bond Service Requirement for any remaining Bond Year, except that with respect to any Bonds for which Sinking Fund Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Sinking Fund Installments to be made in prior Bond Years.

"Operating Expenses" shall mean the current expenses, paid or accrued, of operation, maintenance, and ordinary current repairs of said Airport System and shall include, without limiting the generality of the foregoing, insurance premiums, administrative expenses of the Authority relating solely to the Airport System, including engineering, architectural, legal, airport consultants, and accounting fees and expenses, and fees and expenses of the Trustee, and such other reasonable current expenses as shall be in accordance with sound accounting practice. "Operating Expenses" shall include the fees, costs and expenses of the Trustee, Liquidity Provider, Credit Provider, Tender Agent, Auction Agent, Remarketing Agent and other agents employed by the Authority in connection with one or more series of Bonds issued hereunder, but shall not include any allowance for depreciation or renewals or replacements or obsolescence of capital assets of the Airport System, or any operating expenses of Special Purpose Facilities or airside buildings where the lessees thereof are obligated to pay such operating expenses or capitalized leases regardless of their treatment for accounting purposes.

"PFC Bonds" means any Additional Bonds so designated as PFC Bonds by the Authority at the time of issuance and delivery thereof, the proceeds of which are used solely to fund PFC Projects (following PFC Approval thereof), to fund the Reserve Requirement with respect thereto, and to pay the costs of issuance thereof (or to refund Additional Bonds meeting such requirements).

"PFC Projects" means those projects for which the imposition and use of PFCs have been approved by one or more PFC Approvals.

"PFC Revenues" means all revenues received by the Authority from PFCs imposed by the Authority at the Airport pursuant to the PFC Act, the PFC Regulations and the PFC Approvals, including any interest earned thereon after such revenues have been remitted to the Authority as provided in the PFC Regulations.

"PFCs" or "Passenger Facility Charges" means the passenger facility charges authorized to be charged by the Authority pursuant to the PFC Act and the PFC Regulations, the imposition and use of which has been approved by the Federal Aviation Administration pursuant to PFC Approvals.

"Senior PFC Indebtedness" means bonds, notes or other indebtedness of the Authority issued under a Senior PFC Indenture to pay all or a portion of the cost of PFC Projects, meeting the requirements set forth in the Trust Agreement and expressly stated to have a lien on PFC Revenues prior and superior to the lien on PFC Revenues created under the Trust Agreement.

Pledge of Revenues for the Bonds

Bonds are payable solely from the Gross Revenues of the Authority derived from the operation of the Airport System after payment of the Operating Expenses and are secured on a parity with the Outstanding Bonds under the Restated Trust Agreement (for purposes of the Official Statement and not APPENDIX C, the "Outstanding Bonds") and any Additional Bonds issued as Bonds thereunder (for purposes of this Official Statement and not APPENDIX C, the "Additional Bonds"). Gross Revenues or

Revenues shall also include all "Available PFC Revenues" unless such funds have been released from the lien of the Trust Agreement. Available PFC Revenues are not available to pay the 2024B Bonds. See "FINANCIAL FACTORS – Outstanding Bond and Note Indebtedness" for Outstanding Bonds under the Trust Agreement and APPENDIX C – "RESTATED TRUST AGREEMENT – Revenues and Funds – Receipt and Disbursement of PFC Revenues."

Only Bonds issued under the Trust Agreement that are designated as "PFC Bonds" are secured by and payable from Available PFC Revenues. There are currently no PFC Bonds outstanding under the Trust Agreement. The Authority may issue Additional Bonds designated as PFC Bonds at the time of issuance and delivery thereof, the proceeds of which are used solely to fund PFC Projects (following PFC Approval thereof), to fund the Reserve Requirement with respect thereto, and to pay the costs of issuance thereof (and/or to refund outstanding PFC Bonds or PFC Indebtedness and refund Additional Bonds meeting such requirements). The 2024B Bonds will not be designated PFC Bonds and thus will not be secured by Available PFC Revenues. See "– Available PFC Revenues," "– Disposition of Available PFC Revenues" and APPENDIX C – "RESTATED TRUST AGREEMENT – Revenues and Funds – Receipt and Disbursement of PFC Revenues."

Limited Liability

The Bonds do not constitute a general indebtedness of the Authority, the County, the City or any other political subdivision in the State within the meaning of any constitutional, statutory or charter provision or limitation. The Bonds shall not constitute or be a lien upon any property of the Authority, except the Revenues derived from the operation of the Airport System and certain funds pledged under the Trust Agreement, or any property of the County, the City or any other political subdivision in the State. No holder of the Bonds shall ever have the right to require payment from ad valorem tax proceeds or to compel the exercise of the ad valorem taxing powers of the Authority, the County, the City or of any other political subdivision in the State, for the payment of the Bonds or any interest thereon and the Authority is not and shall never be under any obligation to pay the principal of or interest on the Bonds except in the manner provided in the Trust Agreement.

Disposition of Revenues

All Revenues derived from the Airport System are deposited in the Revenue Fund established under the Trust Agreement (the "Revenue Fund"). Moneys in the Revenue Fund are to be deposited into the following funds and accounts on the first day of each month in the following order and order of priority:

- Operation and Maintenance Fund in an amount equal to one-twelfth (1/12th) of the amount provided in the Annual Budget for Operating Expenses, as defined above;

- Pro rata into the Interest Account and the Qualified Hedge Payment Account (the Authority currently has no outstanding Swaps) in the Sinking Fund established under the Trust Agreement (the "Interest Account," "Qualified Hedge Payment Account" and "Sinking Fund") in an amount necessary to make the funds on deposit therein equal to the interest component of the Accrued Aggregate Debt Service Requirement (see APPENDIX C – "RESTATED TRUST AGREEMENT – Definitions") for such month with respect to Bonds (including any net Qualified Hedge Payment then due within such month); provided however, that such deposit shall not be required to the extent sufficient moneys are then on deposit in the special fund in said Interest Account either from the proceeds of Bonds or from any other source;

- Principal Account in the Sinking Fund in an amount necessary to make the funds on deposit therein equal to the scheduled principal component of Serial Bonds included within the Accrued Aggregate Debt Service Requirement for such month;

- Deposit into the Reserve Fund for the Bonds (the "Reserve Fund"), and pro rata into each separate Reserve Account created therein pursuant to Supplemental Trust Agreements entered into with respect to Additional Bonds, an amount which, together with funds then deposited in the Reserve Fund and each such Reserve Account will be sufficient to make the funds on deposit therein equal to the aggregate Reserve Requirement with respect to the Bonds (the "Reserve Requirement"); provided that no further deposits shall be required to be made into the Reserve Fund or into any separate Reserve Account therein whenever and as long as the amount then on deposit is equal to the Reserve Requirement for the common Reserve Account and for each respective Series of Bonds Outstanding for which a separate Reserve Account has been established (see – "Reserve Fund" below);

- Redemption Account in the Sinking Fund for the Bonds (the "Redemption Account") in an amount necessary to make the funds on deposit therein equal to the Sinking Fund Installment portion of the Accrued Aggregate Debt Service Requirement for the Bonds for such month with respect to Bonds that are Term Bonds maturing within such Fiscal Year;

- Payment of debt service on junior and subordinate lien debt obligations (including reimbursement obligations to credit providers) of the Authority having a lien on the Revenues; and

- Operating Reserve Account in the Revenue Fund in the amount necessary, together with the moneys then on deposit in such Account, to make the amount then on deposit therein equal to one-sixth (1/6) of the annual amount of Operating Expenses provided for in the Annual Budget. The moneys in the Operating Reserve Account shall be used only for the payment of Operating Expenses when the moneys in the Operation and Maintenance Fund are insufficient therefor.

After making all the deposits or payments provided for above, including all deficiencies for prior required payments, the Authority shall on the first day of each month, withdraw all moneys then remaining in the Revenue Fund and deposit the same into the Surplus Fund established under the Trust Agreement (the "Surplus Fund"). Moneys in the Surplus Fund may be used by the Authority for the payment of all Reimbursement Obligations and Derivative Non-Scheduled Payments then due under the Trust Agreement, or to reduce airline rental payments, to make deposits into the Rebate Account in such amounts with respect to any of the Bonds Outstanding as may be required to be paid to the United States pursuant to Section 148(f) of the Code, or may be used by the Authority for any other lawful purpose, or any combination of the foregoing. See APPENDIX C – "RESTATED TRUST AGREEMENT." See also "AMENDMENTS TO THE TRUST AGREEMENT – Conceptual Amendments to the Trust Agreement" herein for more information regarding conceptual amendments to the Trust Agreement that may impact the flow of funds.

Available PFC Revenues

"PFCs" or "Passenger Facility Charges" means the passenger facility charges authorized to be charged by the Authority pursuant to the PFC Act and the PFC Regulations (currently collected at the rate of $4.50 per enplaned passenger), the imposition and use of which have been approved by the Federal Aviation Administration (the "FAA") pursuant to PFC Approvals. "PFC Act" means the Aviation Safety and Capacity Expansion Act of 1990, Pub. L. 101-508, Title IX, Subtitle B, §§ 9110 and 9111, recodified as 49 U.S.C. § 40117, as amended from time to time. "PFC Regulations" means Part 158 of the Federal

Aviation Regulations (14 CFR Part 158), as amended from time to time, and any other regulation issued with respect to the PFC Act. "PFC Approvals" means the Records of Decision or Final Agency Decisions of the FAA, made pursuant to the PFC Act and the PFC Regulations, relating to passenger facility charges imposed by the Authority, as the same may be issued and amended from time to time. See "PASSENGER FACILITY CHARGES AND FEDERAL AND STATE GRANTS – Passenger Facility Charges."

As set forth above under "—Pledge of Revenues," Gross Revenues or Revenues shall also include "Available PFC Revenues." "Available PFC Revenues" means (i) with respect to the pledge and deposit requirements under the Trust Agreement, the actual net PFC Revenues collected by the Authority, after all deposit requirements under and with respect to Senior PFC Indentures and (ii) for any historical or projected twelve month period relating to compliance with the Additional Bonds parity test under the Trust Agreement (see "—Additional Bonds under the Trust Agreement" herein) or for the purposes of determining compliance with the Rate Covenant under the Trust Agreement (the "Rate Covenant") (see "—Rate Covenant" herein), the actual net PFC Revenues collected or projected to be collected by the Authority during such period, less an amount equal to 100% of the Maximum Annual Bond Service Requirement on the Senior PFC Indebtedness, if any, Outstanding at the time of such calculation. PFC Revenues may only be treated as Available PFC Revenues to the extent they are then included in the definition of Revenues and are pledged under the Trust Agreement. Available PFC Revenues are junior and subordinate to senior lien pledges of PFC Revenues made by the Authority to secure Senior PFC Indebtedness. Currently there is no Senior PFC Indebtedness outstanding. See APPENDIX C – "RESTATED TRUST AGREEMENT."

As noted herein, the 2024B Bonds are not secured by PFC Revenues and are not entitled to revenues derived therefrom.

Disposition of Available PFC Revenues

Available PFC Revenues received by the Authority and pledged under the Trust Agreement shall be deposited into the PFC Revenue Fund and applied on the first business day of each month in the following order:

- First to the Interest Account, Principal Account and Redemption Account, respectively, amounts representing the monthly deposit requirements that are attributable to the debt service requirements with respect to PFC Bonds;

- Next to fund any deficiency in the Reserve Fund (or any special account therein) allocable to or set aside for the benefit of PFC Bonds or any separate series thereof;

- Next for the payment of debt service on, and other required deposits with respect to, obligations (including reimbursement obligations to credit providers) having a junior and subordinate lien on the PFC Revenues;

- Next to replenish funds in the Revenue Fund that were used to pay or to satisfy the monthly deposit requirements with respect to the principal of, interest on or redemption premiums with respect to the PFC Bonds that were paid from non-PFC Revenues because PFC Revenues at the time of such deposit requirement were insufficient or ineligible for such purpose; and

- After making all the deposits or payments provided for above, including all deficiencies for required payments, the Authority shall on the first business day of each month, withdraw all moneys remaining in the PFC Revenue Fund and not otherwise set aside for such purposes and deposit the same into the PFC Capital Fund. Funds in the PFC Capital

Fund may be used by the Authority for any lawful purpose in accordance with the PFC Act, the PFC Regulations and the PFC Approvals. See "AMENDMENTS TO THE TRUST AGREEMENT" herein.

Rate Covenant

The Authority will fix, revise from time to time when necessary, maintain and collect such fees, rates, rentals and other charges for the use of the products, services and facilities of the Airport System, or concessions granted in connection therewith, that will always provide Revenues in each Fiscal Year that will be sufficient to pay, in accordance with provisions of the Trust Agreement, (i) all amounts required to be deposited in the Reserve Fund, the Operation and Maintenance Fund and the Operating Reserve Account in the Revenue Fund, including in each case all accounts therein, plus (ii) 125% of the Bond Service Requirement (see "APPENDIX C – RESTATED TRUST AGREEMENT – Definitions" attached hereto) for such Fiscal Year. The Authority covenants that it shall not permit such fees, rates, rentals and other charges to be reduced so as to be insufficient to provide Revenues for such purposes. For purposes of determining compliance with this requirement, the Authority may include Available PFC Revenues in an amount not to exceed 125% of the amount required to be deposited into the Interest Account, Principal Account and Redemption Account for such year on the Outstanding PFC Bonds or such lesser amount as may be required under the PFC Act, PFC Regulations and PFC Approvals as in effect from time to time. See APPENDIX C – "RESTATED TRUST AGREEMENT – Revenues and Funds – Rate Covenant." As noted above, the Authority may take into account Available PFC Revenues in determining its compliance with the foregoing covenants.

Moneys remaining in the Surplus Fund (other than moneys set aside for the payment of any Derivative Non-Scheduled Payments) at the end of any Fiscal Year which the Authority elects to redeposit into the Revenue Fund in the following Fiscal Year may be considered as Revenues in the Fiscal Year in which they are so redeposited for purposes of satisfying the rate covenant. The Authority shall always establish its rates and charges so that Revenues collected in the current Fiscal Year, without regard to carry over amounts from the Surplus Fund, will be at least sufficient to pay 100% of the annual deposit requirements into the Operation and Maintenance Fund, the Sinking Fund, the Reserve Fund and subordinated indebtedness accounts.

Reserve Fund

A common Reserve Account has been established under the Trust Agreement for the benefit of all of the Outstanding Bonds, with the exception of the 2018B Bond, the 2021A Bond and the 2024A Bonds, and the Reserve Requirement with respect to these Outstanding Bonds, prior to the issuance of the 2024B Bonds, is $65,304,436.50. Prior to the issuance of the 2024B Bonds, this common Reserve Account is fully funded with cash and investments. Upon the issuance of the 2024B Bonds, the Reserve Requirement will be increased to $90,473,324.00 and the common Reserve Account will be fully funded as a result of the net reserve deposits being made in connection with the issuance of the 2024B Bonds. The 2018B Bond, the 2021A Bond and the 2024A Bonds are not secured by a Reserve Account and the Reserve Requirement with respect to these Bonds is zero ($0).

Reserve Requirements for Additional Bonds will be established at the time of issuance thereof. No further deposits shall be required to be made into the Reserve Fund and each respective Reserve Account therein whenever and as long as the amounts then on deposit therein are equal to the Reserve Requirements for the common Reserve Account and each separate Reserve Account established for a particular Series of Bonds Outstanding under the Trust Agreement. The moneys in the Reserve Fund shall be used only for the payment of interest on all Bonds secured thereby, the principal of such Bonds that are Serial Bonds and the required deposits into the Redemption Account for such Bonds that are Term Bonds as the same mature or become due, whenever the moneys in the Interest Account, Principal Account and Redemption Account are insufficient therefor. If separate Reserve Accounts in the Reserve Fund have been established for Additional Bonds, deficiencies in the Interest Account, Principal Account and Redemption Account with respect to such Additional Bonds shall be payable solely from the funds deposited in each respective special Reserve Account created with respect to such Additional Bonds, or from any respective Reserve Fund Credit Enhancement acquired with respect thereto, and not from other funds deposited in the common Reserve Account. Funds on deposit in the Reserve Fund in excess of the Reserve Requirement (taking into account the several Reserve Requirements for each Series of Bonds Outstanding under the Trust Agreement) may be withdrawn at the Authority's request and deposited (i) into the Sinking Fund to pay principal, interest or redemption premium on Bonds next coming due, (ii) into the Redemption Account for redemption of Bonds from which such surplus funds were derived, (iii) into escrow deposit trust funds for Bonds secured thereby that have been defeased or called for redemption or (iv) into the Revenue Fund provided that the Authority first receives an opinion from bond counsel that the use of such funds will not adversely affect the excludability from gross income for federal income tax purposes of interest on any Series of Bonds then Outstanding (other than any Series of Bonds issued with the intent that interest thereon be includable in gross income for federal income tax purposes). All deficiencies from the Reserve Fund shall be restored from the first Revenues and other moneys pledged under the Trust Agreement which are available after making all prior required deposits into the Operation and Maintenance Fund, the Interest Account, Principal Account and Redemption Account.

Interest earnings on the funds on deposit in the common Reserve Account, to the extent not necessary to make the amounts on deposit therein equal to the Reserve Requirement for such Account, shall be transferred to the Revenue Fund. The Trust Agreement authorizes the establishment of separate Reserve Accounts in connection with the issuance of a Series of Additional Bonds for which the holders thereof shall have no claim to or lien on the funds on deposit in the common Reserve Fund. Likewise, the holders of the Outstanding Bonds shall have no claim to or lien on the funds held in any special Reserve Account.

The Authority does not have any Reserve Fund Credit Enhancements with respect to any of its Outstanding Bonds. However, upon the issuance of a series of Additional Bonds, or at any time in replacement of moneys then on deposit in the Reserve Fund, in lieu of making a cash deposit to the Reserve Fund, or in substitution therefor, the Authority may deliver to the Trustee a Reserve Fund Credit Enhancement in an amount which, together with moneys, securities or other funds or Reserve Fund Credit Enhancements on deposit in or credited to the Reserve Fund (including any separate Reserve Account therein), equals or exceeds the largest amount of principal, interest and required deposits into the Redemption Account which will mature or become due in any succeeding year and having such other terms and provisions as required by the Trust Agreement. The claims-paying ability of an issuer of a Reserve Fund Credit Enhancement must be rated at least "A" or "A" by Standard & Poor's Ratings Services ("S&P") or Moody's Investors Service, Inc. ("Moody's"), respectively. Any amounts owed by the Authority to the issuer of any Reserve Fund Credit Enhancement as a result of a draw thereon or a claim thereunder shall be included in determining amounts required to be deposited to the credit of the Reserve Fund and in any other calculation of debt service requirements required to be made pursuant to the Trust Agreement for any purpose (e.g., rate covenant or Additional Bonds test). See APPENDIX C – "RESTATED TRUST AGREEMENT – Definitions – Reserve Fund Credit Enhancement." See also "AMENDMENTS TO THE TRUST AGREEMENT" herein.

Additional Bonds

The Trust Agreement permits the Authority to issue Additional Bonds for the purpose of constructing or acquiring additions, extensions and improvements to the Airport System, upon compliance with the provisions of the Trust Agreement. For Additional Bonds to be issued, either of the following is required:

> (x) A statement signed by the Chief Executive Officer or Executive Vice President of Finance and Procurement, or equivalent officer, of the Authority to the effect that the Authority's Revenues for the last Fiscal Year preceding the issuance of such Additional Bonds for which audited statements are available (provided that the last day of the latest audited Fiscal Year falls within the 24 month period immediately preceding the issuance of such Additional Bonds), were not less than the sum of (i) all amounts required to be deposited in the Operation and Maintenance Fund, the Reserve Fund, including in each case all accounts therein, and any funds required to be set aside for the payment of subordinated indebtedness in such Fiscal Year, plus (ii) one hundred twenty-five percent (125%), of the Maximum Bond Service Requirement in any succeeding Fiscal Year on account of the Bonds of each Series then Outstanding (including the Additional Bonds proposed to be issued but excluding those Outstanding Bonds to be defeased by the issuance of such Additional Bonds); or
>
> (y) A statement of the Airport Consultant that in its opinion, the Revenues to be derived from the Airport System during the Fiscal Year in which such Additional Bonds are issued and for each Fiscal Year thereafter through the Period of Review referred to below, taking into account, among other factors, increases in rates, fees, rentals and charges, shall not be less than the sum of (i) all amounts required to be deposited into the Operation and Maintenance Fund and the Reserve Fund, including in each case all accounts therein, and any funds required to be set aside for the payment of subordinated indebtedness during the Period of Review, plus (ii) one hundred twenty-five percent (125%) of the Bond Service Requirement in each such corresponding Fiscal Year during the Period of Review, on account of the Bonds of each Series then Outstanding (including the Additional Bonds proposed to be issued but excluding those Outstanding Bonds to be defeased by the issuance of such Additional Bonds). [*]

The "Period of Review" shall be that period beginning on the first day of the Fiscal Year of the Authority in which such Additional Bonds are issued and ending on the last day of the Fiscal Year during which either of the following two events shall occur: (i) the fifth anniversary of the date of issuance of such Additional Bonds or (ii) the third anniversary of the later to occur of the scheduled completion date of the project to be financed with proceeds of such Additional Bonds or the date on which capitalized interest with respect to such project has been exhausted, whichever date described in clause (i) or clause (ii) is later.

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[*] In connection with the issuance of the 2024B Bonds as Additional Bonds, the Airport Consultant will provide the statement required by this subparagraph (y).

For purposes of this requirement, moneys remaining in the Surplus Fund at the end of any Fiscal Year which the Authority elects to redeposit into the Revenue Fund in the following Fiscal Year may be considered as Revenues in the Fiscal Year in which they are, or are projected to be, so redeposited; provided that without regard to the use of such funds, the Authority shall have collected, or shall be projected to collect, as the case may be, sufficient rates and charges under its Rate Covenant so that the actual or projected Revenues, as the case may be, for the Fiscal Year or years in question, were, or are projected to be, at least sufficient to pay 100% of the yearly deposit requirements into the Operation and Maintenance Fund, the Sinking Fund, the Reserve Fund and subordinated indebtedness accounts, without regard to carry over amounts from the Surplus Fund.

If Available PFC Revenues are included in determining compliance with the foregoing requirements, the following rules will apply:

(i) The Airport Consultant may assume (a) that the rate of the levy of Passenger Facility Charges constituting a part of the PFC Revenues in effect on the date of issuance of such Series will be in effect for the entire forecast period, and (b) a higher rate to the extent legislation has been enacted to permit an increase in Passenger Facility Charges if the Authority has taken all action required to impose and use such increased charges at Tampa International Airport pursuant to such legislation prior to the date of the Airport Consultant's report;

(ii) The Airport Consultant, in making its forecast shall assume that the percentage of enplaned passengers subject to Passenger Facility Charges during the forecast period will not exceed the average percentage during the three Fiscal Years immediately preceding the year the report of the Airport Consultant is issued;

(iii) Available PFC Revenues, so long as they are pledged as Revenues under the Trust Agreement, may be taken into account in determining compliance with the requirements of subparagraph (x) above, in an amount equal to the lesser of (1) the Available PFC Revenues reflected in the statement of the independent certified public accountant and (2) the lowest amount of Available PFC Revenues the Authority estimates, based on its then existing PFC Approvals, will be available during the Period of Review; and

(iv) The amount of Available PFC Revenues included in determining compliance with the requirements of subparagraph (x) or (y) above shall be limited to Available PFC Revenues in an amount not to exceed 125% of the Maximum Bond Service Requirement on the Outstanding PFC Bonds, and the PFC Bonds, if any, proposed to be issued, or such lesser amount as may be required under the PFC Act, PFC Regulations and PFC Approvals as in effect from time to time.

The Authority may issue Additional Bonds without complying with the above requirements (a) to complete projects specifically authorized and theretofore funded with Additional Bonds, provided that the aggregate principal amount of such completion Bonds does not exceed 15% of the aggregate principal amount of the Bonds or portions of Bonds issued to fund such projects, and (b) to refund any Bond or Bonds Outstanding, provided that prior to the issuance of refunding Bonds the Airport Consultant or another qualified independent consultant must deliver to the Trustee a statement stating (i) that in each Fiscal Year, the debt service with respect to the refunding Bonds will be equal to or less than the debt service with respect to the Bonds to be refunded, or (ii) (a) that the aggregate debt service with respect to all Bonds Outstanding after the issuance of the refunding Bonds (excluding the Bonds to be refunded and including the refunding Bonds) will be equal to or less than the aggregate debt service with respect to all Bonds Outstanding prior to the issuance of the refunding Bonds, and (b) that the Maximum Bond Service Requirement becoming due in any subsequent Fiscal Year with respect to all Bonds Outstanding after the issuance of the refunding Bonds (excluding the Bonds to be refunded and including the refunding Bonds) will be equal to or less than the Maximum Bond Service Requirements on all Bonds Outstanding prior to the issuance of the refunding Bonds. See APPENDIX C – "RESTATED TRUST AGREEMENT – Definitions."

For purposes of the foregoing, if the Outstanding Bonds or the proposed refunding Additional Bonds, or both, include Variable Rate Bonds, the assumed interest rate thereon for purposes of the foregoing calculations shall be determined in accordance with the procedures set forth in the definition of Debt Service Requirement in the Trust Agreement (see APPENDIX C – "RESTATED TRUST AGREEMENT – Definitions"), determined on or as of the date of calculation.

Senior PFC Indebtedness

The Authority has covenanted that it will not issue Senior PFC Indebtedness payable from PFC Revenues having a lien thereon superior to the lien thereon created by the Trust Agreement unless at the time of issuance thereof (i) the Authority is not in default under the Trust Agreement, (ii) the Authority shall have delivered to the Trustee a certificate to the effect that it is in compliance with the PFC Act, the PFC Regulations and the PFC Approvals and that the Senior PFC Indebtedness is being issued for the purpose of funding the cost of PFC Projects, and (iii) the Authority shall have delivered to the Trustee on or immediately prior to the issuance of such Senior PFC Indebtedness a statement of the Airport Consultant that in its opinion, the PFC Revenues to be received by the Authority during the Fiscal Year in which such Senior PFC Indebtedness is issued and for each Fiscal Year thereafter through the Period of Review, shall not be less than one hundred twenty-five percent (125%) of an amount equal to the largest amount of principal, interest and the required deposits into a redemption account or amortization fund that will mature or become due in any succeeding Fiscal Year on account of all Senior PFC Indebtedness and PFC Bonds then Outstanding (including the Senior PFC Indebtedness proposed to be issued but excluding any Senior PFC Indebtedness or PFC Bonds to be defeased by the issuance of such Senior PFC Indebtedness). Currently, there is no Senior PFC Indebtedness outstanding. If Senior PFC Indebtedness was issued by the Authority in the future, such Indebtedness would be payable solely from a pledge of PFC Revenues.

For purposes of determining compliance with the foregoing requirements, the following rules will apply:

(i) The Airport Consultant may assume (a) that the rate of the levy of Passenger Facility Charges constituting a part of the PFC Revenues in effect on the date of issuance of such Series will be in effect for the entire forecast period, and (b) a higher rate to the extent legislation has been enacted to permit an increase in Passenger Facility Charges if the Authority has taken all action required to impose and use such increased charges at Tampa International Airport pursuant to such legislation prior to the date of the Airport Consultant's report; and

(ii) The Airport Consultant, in making its forecast shall assume that the percentage of enplaned passengers subject to Passenger Facility Charges during the forecast period will not exceed the average percentage during the three Fiscal Years immediately preceding the year the report of the Airport Consultant is issued.

AMENDMENTS TO THE TRUST AGREEMENT

General

The holders of the 2024B Bonds, by acceptance of their respective 2024B Bonds, shall be deemed to have consented to and approved the conceptual amendments described in Section 11.05 of the Restated Trust Agreement and set forth below, as well as definitive provisions which may be contained in subsequent

Supplemental Trust Agreements implementing any or all such conceptual amendments. See "– Conceptual Amendments to the Trust Agreement" below and APPENDIX C – "RESTATED TRUST AGREEMENT– Supplemental Trust Agreements – Approved Conceptual Amendments" hereto.

In addition, as set forth in more detail below, the holders of the 2024B Bonds, by acceptance of their respective 2024B Bonds, shall be deemed to have consented to and approved certain amendments to the Trust Agreement described below, some of which will go into effect upon the issuance of the 2024B Bonds and some of which will go into effect in the future upon receipt of consent of all Bondholders. See "– Amendments to the Trust Agreement to take Effect Upon Issuance of the 2024B Bonds" and "– Proposed Amendments to the Trust Agreement to Take Effect Upon Consent of all Bondholders" below.

Conceptual Amendments to the Trust Agreement

The holders of the 2024B Bonds, by acceptance of their respective 2024B Bonds, shall be deemed to have consented to and approved the conceptual amendments described in Section 11.05 of the Restated Trust Agreement and set forth below, as well as definitive provisions which may be contained in subsequent Supplemental Trust Agreements implementing any or all such conceptual amendments. It is possible all, some or none of the conceptual amendments will be implemented. By acceptance of the 2024B Bonds, the holders thereof have agreed that the provisions set forth below are conceptual and descriptive in nature only and that such consent and approval shall apply to definitive provisions approved by the Authority and the Trustee at some future date which embody the intent, and are not inconsistent with, the generalized descriptions of the amendments set forth below:

(a) The Trust Agreement may be amended to authorize and permit the issuance of zero coupon bonds, deep discount bonds, commercial paper, variable rate obligations, tender bonds, designated maturity bonds and other similar or dissimilar project financing vehicles, and derivative products related to such financing including hedges, caps, collars, swaps and similar products. It is contemplated within this general authorization that debt may mature and become payable as frequently as daily. Definitive provisions reflecting the intent of this paragraph will contain methodology or techniques for calculating annual bond service requirements and similar provisions relating to the Rate Covenant, amounts deposited into the Reserve Fund, tests with respect to the issuance of Additional Bonds, the Bond Obligation to be used for voting and consent purposes, and the like. Provisions may also be added with respect to liquidity facilities required in connection with the issuance of such financing techniques. Any such changes in the Additional Bonds test, the methodology for calculation of the debt service requirements in any year, the Authority's Rate Covenant or the reserve funding requirements that arise from the issuance of such debt products shall be subject to the consent of each respective Bond Insurer, which consent will not be unreasonably withheld.

(b) The definition of "Gross Revenues" or "Revenues" may be amended to specifically exclude, in addition to the moneys theretofore excluded from the definition of that term, all the revenue sources available to the Authority that are not directly related to the handling of passengers and greeters to, from and around the airport facilities or the granting of rights in or with respect to the core terminal facilities. (Airline landing fees and parking revenues, and fees generated from leases and concessionaire agreements in or with respect to the core terminal facilities, shall, for all purposes of the Trust Agreement, be treated as Gross Revenues.) Any such amendment shall provide that before it shall become effective, the Authority shall submit to the Trustee (i) a certificate to the effect that the remaining Revenues in the year in which the exclusion is to be made will be sufficient to meet the Authority's Rate Covenant in such year and (ii) a certificate from an Airport Consultant reasonably acceptable to the Bond Insurer to the effect that, based on its projections and subject to customary assumptions and limitations, the deletion of such revenues from the lien of the Trust Agreement will not adversely affect the Authority's ability to meet the Authority's Rate Covenant in each of the five Fiscal Years following the effective date of such amendment.

(c) Article IV of the Restated Trust Agreement may be amended to provide that separate Construction Accounts may be established for each series of Additional Bonds and that the provisions with respect to such Construction Accounts as set forth in Supplemental Trust Agreements executed in connection with such Additional Bonds may supersede any of the requirements for the Construction Fund contained in Article IV of the Restated Trust Agreement.

(d) The flow of funds contained in Article V of the Restated Trust Agreement may be amended in the following respects:

(i) The Authority shall be free to add additional funds and accounts (including without limitation, accounts with respect to Subordinated Indebtedness and liquidity and credit enhancement products), to arrange the priority of such funds and accounts, and to delete funds and accounts, or modify their funding requirements, in each case with respect to such funds and accounts that are funded subsequent to the funding of the Reserve Fund (and subsequent to the funding of any accounts created for the payment of liquidity reimbursements and subordinated indebtedness if such accounts have been added); provided, however, that the deposit requirements with respect to the Operating Reserve Account as set forth in Section 5.02(G) of the Restated Trust Agreement shall not be reduced or eliminated. In addition, the Authority shall not be restricted as to the amounts it may deposit in the Surplus Fund. If the flow of funds is modified pursuant to the foregoing, the Authority may in connection therewith, make concurrent amendments to the Authority's Rate Covenant to take into account the addition, deletion or modification of such funds or accounts; provided, however, that the Authority shall always be obligated to charge rates that will provide revenues sufficient to pay Operating Expenses and debt service on the Bonds when required or due, and to fully fund at least once each year the deposit requirements into the Operating Reserve Account and any capital replacement fund then in effect.

(ii) The specific provisions for deposits into the Sinking Fund may be added to comply with the funding requirements for commercial paper, variable rate obligations, demand obligations and similar types of financing structures that may be authorized pursuant to the Supplemental Trust Agreements.

(iii) Section 5.02(D) of the Trust Agreement may be amended to permit separate reserve accounts for each issue of Additional Bonds, and the funding requirements with respect thereto, all as specified in the Supplemental Trust Agreements executed in connection with such Additional Bonds. Following such amendment, the holders of Bonds of a Series will have a lien only on the reserve account created and funded with respect to such Bonds. It is intended that such Supplemental Trust Agreements may provide for the deferred funding of such reserve accounts, or contemplate reserve insurance, letters of credit, surety bonds or other reserve credit facilities in lieu of a cash reserve, and that the existence, sizing criteria and other matters with respect to reserves for any issue of Additional Bonds shall all be specified in each such Supplemental Trust Agreement.

(e) Article VI of the Restated Trust Agreement may be amended to permit the Authority to invest any of the funds and accounts held under or pursuant to the terms of the Trust Agreement, other than the Sinking Fund and the Reserve Fund, in any investments (and with such collateralization, if any, and maturity), as may be permitted for political subdivisions under the laws of the State. The Reserve Fund with respect to all Bonds Outstanding prior to the effective date of such an amendment shall remain subject to the investment limitations previously contained in the Trust Agreement.

(f) Article VIII of the Restated Trust Agreement may be amended to permit the Bond Insurer with respect to any series of Additional Bonds, to exercise rights and remedies on behalf of the holders of

Bonds it insures, in the manner and to the extent permitted pursuant to the terms of the Supplemental Trust Agreement executed in connection with the issuance of such Additional Bonds.

(g) Article IX of the Restated Trust Agreement may be amended to eliminate the preference in favor of the Trustee with respect to moneys held by it hereunder, for payment of the fees and costs of the Trustee under the Trust Agreement and to allow the Authority to change the Trustee at any time without the consent of the holders of any of the Bonds.

(h) Article XI of the Restated Trust Agreement may be amended to permit any other amendments that would not materially adversely affect the Authority's ability to meet the Authority's Rate Covenant; provided, however, that no such amendment that affects the payment of debt service on the Bonds when due shall be made without the consent of each respective Bond Insurer.

(i) The definition of "Special Purpose Facility" contained in Article XIII of the Restated Trust Agreement may be amended to include any capital project generally relating to airport operations or ancillary services, wherever such projects may be located.

(j) The Trust Agreement may be amended to provide that the Authority may treat the Bond Insurer as the holder of all Bonds Outstanding under the Trust Agreement that are insured by it, for all purposes of the Trust Agreement, or for any limited purpose specified in the Supplemental Trust Agreement executed in connection with such insured Additional Bonds.

The Authority has covenanted that it will provide each of the national rating agencies then carrying an effective rating on the 2024B Bonds with a copy of any amendments made to the Trust Agreement pursuant to the provisions thereof; however, failure to timely provide such notice shall not affect the validity of any such amendment or cause a default under the Trust Agreement.

Amendments to the Trust Agreement to take Effect Upon Issuance of the 2024B Bonds

The holders of the 2024B Bonds, by acceptance of their respective 2024B Bonds, shall be deemed to have consented to and approved certain amendments to the Trust Agreement which will become effective concurrently with the issuance of the 2024B Bonds. Such amendments are incorporated herein and in "APPENDIX C - RESTATED TRUST AGREEMENT" attached hereto. Generally, these amendments include revisions to the definitions of "Bond Service Requirement," "Debt Service Requirement," "Reserve Fund Credit Enhancement," adding the definition of "Designated Maturity Bonds" and amending certain provisions relating to the Reserve Account, insurance and accounting and audit requirements. For more information regarding such amendments, including the text of such amendments, see Article V in "APPENDIX D - 2024 SUPPLEMENTAL TRUST AGREEMENT" attached hereto.

Proposed Amendments to the Trust Agreement to Take Effect Upon Consent of all Bondholders

The Authority and the Trustee have also consented to, approved and agreed to the following amendment to the Trust Agreement, subject to the consent of one hundred percent (100%) of the holders of the Bonds then Outstanding. By acceptance of the 2024B Bonds, the holders thereof consent to and approve the following amendment to the Trust Agreement (which, to become effective, will require the defeasance, retirement at maturity or payment in full of all Bonds currently Outstanding that were issued prior to November 7, 2018, which includes the Series 2017A Bonds, the Series 2018B Bonds and the Series 2018C Bonds):

A. Change in Definition of Reserve Requirement.

The definition of "Reserve Requirement" in the Trust Agreement would be amended as follows (this amendment requiring the consent of the holders of 100% of the Bonds then Outstanding):

"Reserve Requirement" shall mean:

(a) with respect to Bonds to be secured by the common Reserve Account in the Reserve Fund, an amount equal to the least of (i) the Maximum Annual Principal and Interest Requirement, calculated with respect to all Series of Bonds Outstanding hereunder that are secured by the common Reserve Account, (ii) 125% of the average Annual Principal and Interest Requirement, calculated with respect to all Series of Bonds Outstanding hereunder that are secured by the common Reserve Account, or (iii) 10% of the aggregate of the stated original principal amount on the date of issue of each Series of Bonds Outstanding hereunder that is secured by the common Reserve Account; provided, however, that in determining the stated original principal amount of a Series of Bonds for the purposes of this clause (iii), the issue price (as defined by the Code) of that Series of Bonds (net of pre-issuance accrued interest) shall be substituted for the original stated principal amount of that Series of Bonds if such Series of Bonds was sold at either an original issue discount or premium exceeding two percent (2%) of the stated principal amount at maturity; and

(b) with respect to each Series of Bonds for which a separate Reserve Account is established pursuant to the terms hereof other than the common Reserve Account, the aggregate amount, if any, required to be deposited in such separate Reserve Account, as specified in the respective Supplemental Trust Agreement entered into in connection with the issuance of such Additional Bonds hereunder. If, pursuant to any such Supplemental Trust Agreement, the Authority is authorized to fund the initial designated amount, or deficiencies therein, over time, the Reserve Requirement for any period shall include only the incremental portion of the deposit requirement for that series of Additional Bonds as specified in the Supplemental Trust Agreement authorizing the issuance of such Additional Bonds. If the Reserve Requirement for any separate account in the Reserve Fund other than the common Reserve Account takes into account the Annual Principal and Interest Requirement, that Reserve Requirement shall be calculated only with respect to the Bonds of the Series secured by that separate account.

The calculation of the Reserve Requirement as to Bonds secured by the common Reserve Account shall be subject to the following rules:

(1) The term "Annual Interest and Principal Requirement" for a given Bond Year shall mean the sum of:

(i) The amount required to pay the interest coming due on Bonds during that Bond Year;

(ii) The amount required to pay the principal of Serial Bonds in that Bond Year, and the principal of Term Bonds maturing in that Bond Year that are not included in the Sinking Fund Installments for such Term Bonds; and

(iii) The Sinking Fund Installments for all series of Term Bonds for that Bond Year.

(2) The term "Maximum Annual Interest and Principal Requirement" shall mean, as of any particular date of calculation, the largest Annual Interest and Principal Requirement for any

remaining Bond Year, except that with respect to any Bonds for which Sinking Fund Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Sinking Fund Installments to be made in prior Bond Years.

(3) If Variable Rate Bonds are then Outstanding, the interest rate on such Bonds for purpose of determining the Annual Interest and Principal Requirement shall be calculated pursuant to the provisions included in the definition of Debt Service Requirement herein."

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ESTIMATED SOURCES AND USES OF THE 2024B BONDS PROCEEDS

The following are the estimated sources and uses of the 2024B Bonds proceeds:

Sources	2024B Bonds
Principal Amount	$462,975,000.00
Original Issue Premium	44,499,918.60
Total Sources	$507,474,918.60
Uses	
Deposit to 2024B Construction Account[1]	$491,542,715.07
Deposit to Common Reserve Account	13,575,210.88
Cost of Issuance[2]	2,356,992.65
Total Uses	$507,474,918.60

(1) Includes funds that will be used to pay capitalized interest.
(2) Includes the fees and expenses of Bond Counsel, Disclosure Counsel, Financial Advisor, Underwriters' Discount, printing, ratings, and other associated costs of issuance.

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DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Outstanding Bonds, the 2024B Bonds and the Subordinated Bonds following the issuance of the 2024B Bonds.

Fiscal Year Ending Sept. 30[(1)]	Outstanding Senior Bonds Debt Service Requirements[(2)]	2024B Bonds Principal	2024B Bonds Interest[(3)]	2024B Bonds Total[(3)]	Total Outstanding Senior Bonds Debt Service Requirements[(2)]	Subordinated Bonds Debt Service Requirements	Total Senior and Subordinated Bonds Debt Service Requirements[(2)]
2024	$ 65,419,176				$ 65,419,176	$ 30,389,217	$ 95,808,393
2025	98,568,139		$27,258,225	$27,258,225	125,826,364	30,391,303	156,217,667
2026	108,960,932		24,593,888	24,593,888	133,554,820	30,389,549	163,944,369
2027	115,355,883	$ 575,000	24,593,888	25,168,888	140,524,771	30,388,818	170,913,589
2028	52,337,096	8,295,000	24,565,138	32,860,138	85,197,233	30,384,663	115,581,896
2029	52,658,451	8,705,000	24,150,388	32,855,388	85,513,838	30,391,042	115,904,880
2030	52,974,459	9,145,000	23,715,138	32,860,138	85,834,596	30,382,349	116,216,945
2031	53,316,121	9,605,000	23,257,888	32,862,888	86,179,008	24,701,713	110,880,721
2032	42,466,425	10,085,000	22,777,638	32,862,638	75,329,063	24,700,170	100,029,232
2033	42,467,338	10,585,000	22,273,388	32,858,388	75,325,725	24,704,556	100,030,281
2034	36,611,900	11,115,000	21,744,138	32,859,138	69,471,038	24,701,478	94,172,516
2035	36,623,650	11,670,000	21,188,388	32,858,388	69,482,038	24,704,568	94,186,605
2036	36,621,150	12,250,000	20,604,888	32,854,888	69,476,038	24,702,149	94,178,186
2037	36,630,600	12,865,000	19,992,388	32,857,388	69,487,988	24,702,726	94,190,714
2038	36,616,250	13,510,000	19,349,138	32,859,138	69,475,388	24,704,378	94,179,766
2039	43,532,850	14,190,000	18,673,638	32,863,638	76,396,488	29,433,973	105,830,460
2040	43,537,650	14,895,000	17,964,138	32,859,138	76,396,788	34,405,851	110,802,638
2041	43,517,600	15,675,000	17,182,150	32,857,150	76,374,750	34,402,901	110,777,651
2042	43,536,500	16,500,000	16,359,213	32,859,213	76,395,713	34,403,573	110,799,285
2043	43,525,200	17,360,000	15,492,963	32,852,963	76,378,163	34,401,207	110,779,370
2044	43,524,700	18,275,000	14,581,563	32,856,563	76,381,263	34,394,569	110,775,831
2045	56,208,200	19,235,000	13,622,125	32,857,125	89,065,325	27,932,250	116,997,575
2046	56,212,950	20,295,000	12,564,200	32,859,200	89,072,150	27,933,250	117,005,400
2047	56,217,450	21,410,000	11,447,975	32,857,975	89,075,425	27,931,750	117,007,175
2048	56,206,200	22,585,000	10,270,425	32,855,425	89,061,625	27,930,000	116,991,625
2049	19,847,400	23,830,000	9,028,250	32,858,250	52,705,650	--	52,705,650
2050	19,853,800	25,140,000	7,717,600	32,857,600	52,711,400	--	52,711,400
2051	19,852,800	26,525,000	6,334,900	32,859,900	52,712,700	--	52,712,700
2052	19,853,600	27,980,000	4,876,025	32,856,025	52,709,625	--	52,709,625
2053	--	29,525,000	3,337,125	32,862,125	32,862,125	--	32,862,125
2054	--	31,150,000	1,713,250	32,863,250	32,863,250	--	32,863,250
Total[(4)]	$1,433,054,468	$462,975,000	$501,230,050	$964,205,050	$2,397,259,518	$723,508,002	$3,120,767,520

(1) The payments due on October 1 of a given year are reflected in the preceding Fiscal Year, which ends September 30.

(2) This does not include the debt service requirements of the Authority's Outstanding CFC Bonds.

(3) A portion of interest on the 2024B Bonds through July 1, 2027 will be paid from funds in the construction subaccount as capitalized interest. See "ESTIMATED SOURCES AND USES OF THE 2024B BONDS PROCEEDS" herein.

(4) Totals may not foot due to rounding.

AIR TRADE AREA

General

The demand for air transportation at airports serving primarily O&D passengers is to a large degree dependent upon the demographic and economic characteristics of an airport's air trade area – that is, the geographical area served by an airport.

The primary air trade area (the "Air Trade Area") for the Airport is the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area (the "Tampa Bay MSA"), as defined by the federal government's Office of Management and Budget. The Tampa Bay MSA consists of four counties in the State: Hernando, Hillsborough (the county in which the Airport is located), Pasco and Pinellas.

Population in the Air Trade Area increased from approximately 2.5 million residents in 2002 to approximately 2.8 million residents in 2012 and to approximately 3.3 million residents in 2022. Population growth in the Air Trade Area between 2012 and 2022 had a compound annual growth rate of 1.5%, which was approximately the same as that experienced by the State, but greater than the 0.6% growth rate experienced by the nation during this period. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – Demographic and Economic Analysis."

Based on location, accessibility, and services available at other commercial service airports within nearby service areas, the Airport service area extends to a secondary air trade area. This secondary air trade area includes the counties of Citrus, DeSoto, Hardee, Manatee, Sarasota, Sumter and a portion of Polk. The borders of this extended service area are established by the Orlando International Airport, located approximately 80 miles to the east of the Airport, and the Southwest Florida International Airport (Fort Myers), located approximately 130 miles to the south of the Airport. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – Tampa International Airport System – The Air Trade Area."

Airports in the Primary and Secondary Air Trade Area

The St. Petersburg-Clearwater International Airport (the "St. Petersburg-Clearwater Airport") is approximately 12 miles west of the Airport and located within the Air Trade Area; however, its scheduled passenger service is limited in scope. Most of the scheduled passenger service to the St. Petersburg-Clearwater Airport is provided by leisure-oriented carriers (Allegiant Air and Sun Country Airlines). Sarasota-Bradenton International Airport is located approximately 50 miles south of the Airport, within the Airport's secondary air trade area; however, a portion of its potential passengers prefer to drive to the Airport to take advantage of the more extensive flight selections to major O&D markets. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – Tampa International Airport System – Surrounding Airports Within or Near the Air Trade Area."

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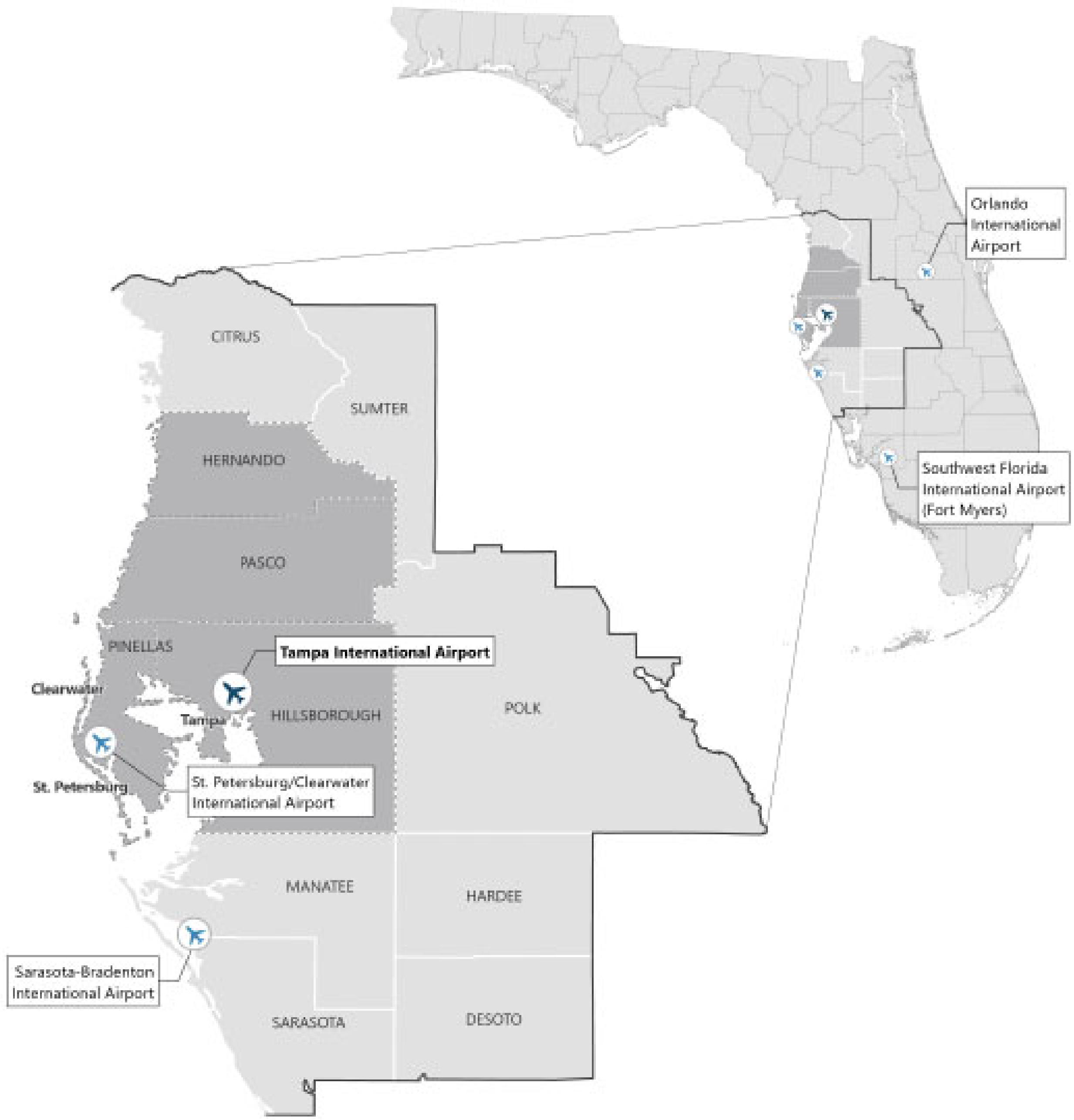
Air Trade Area Map



Source: Ricondo & Associates, Inc., August 1, 2024.

THE AIRPORT SYSTEM

The Airport System includes the Airport, Peter O. Knight Airport, Plant City Airport and Tampa Executive Airport. The latter three are general aviation airports which serve as reliever airports. The Airport, an approximate 3,400 acre facility, is utilized primarily for commercial aviation purposes by certificated scheduled airlines. There are also two full service general aviation executive terminals located at the Airport. Peter O. Knight Airport, a 139 acre facility, is located six miles southeast of the Airport; Plant City Airport, a 199 acre facility, is located 22 miles east of the Airport; and Tampa Executive Airport, a 409 acre facility, is located 12 miles east of the Airport.

Management

Joseph W. Lopano[*], Chief Executive Officer, joined the Authority in January 2011. Prior to accepting the Chief Executive Officer position in Tampa, Mr. Lopano worked at the Dallas/Fort Worth International Airport for 14 years as its Executive Vice President for Marketing and Terminal Management. Additionally, he has 40 years of airline and airport expertise. Mr. Lopano has extensive experience in the airline business, having held management positions at Continental Airlines, Lufthansa, BWIA and Pan Am.

Damian L. Brooke, Executive Vice President of Finance, Procurement, and Capital Programs, joined the Authority in March 2011. Mr. Brooke has more than 34 years of aviation industry experience across the airline, airport and consulting verticals. Mr. Brooke was the Assistant Vice President, Market Planning and Analysis at Dallas/Fort Worth International Airport. Prior to that, he headed up the international airport and government consulting practice for Sabre Holdings Inc. Mr. Brooke also has extensive experience in airline route planning, having worked in Doha, Qatar for Qatar Airways and in Dallas for American Airlines.

Christopher D. Minner, Executive Vice President of Marketing and Communications, joined the Authority in March 2011. Mr. Minner leads the Authority's Air Service Development, Airline Real Estate and Commercial Real Estate teams, Concessions and Commercial Parking, and Marketing Departments. Before joining the Authority, he was the Assistant Vice President of Air Service Development at Dallas/Fort Worth International Airport. Prior to that, he worked for eight years at the Oakland International Airport as a manager of marketing research and analysis during which time passenger traffic increased from nine million to fifteen million passengers per year.

Smitha Radhakrishnan, Executive Vice President of Planning & Development and Maintenance joined the Authority in February 2024. Ms. Radhakrishnan oversees the Authority's Planning & Development and Maintenance teams. She has more than 20 years of experience overseeing complex infrastructure capital programs, commercial real estate investments, and associated capital fundraising functions in both the private and public sector, including the past 11 years at Dallas/Fort Worth International Airport in various leadership capacities.

Michael A. Stephens, Esq., General Counsel and Executive Vice President Human Resources & ITS, joined the Authority in November 2015. Mr. Stephens leads the Legal Affairs, Human Resources, Information Technology Services (ITS), Risk Management, and Government and Community Affairs and Business Diversity teams. Mr. Stephens has over 20 years of experience managing complex legal,

[*] Mr. Lopano has announced his plan to retire at the end of his contract which currently expires April 5, 2025. The Authority has begun the process of selecting a replacement, with the Board directing the CEO search committee to begin interviews with four internal candidates, including Damian L. Brooke, Executive Vice President of Finance, Procurement, and Capital Programs, Christopher D. Minner, Executive Vice President of Marketing and Communications, Michael A. Stephens, Esq., General Counsel and Executive Vice President, and John M. Tiliacos, Executive Vice President of Operations and Customer Service.

compliance, human resources, labor and employment issues. He previously served as Chief Legal Counsel for the Hillsborough Area Regional Transit Authority. He also served on active duty as a Captain and Trial Counsel in the U.S. Army Judge Advocate General's (JAG) Corps, where he was also appointed as a Special Assistant U.S. Attorney. Additionally, he served on active duty as an Air Traffic Controller in the U.S. Air Force.

John M. Tiliacos, Executive Vice President of Operations and Customer Service, joined the Authority in June 2012. Mr. Tiliacos has worked in the airline industry for 38 years, including serving as managing director for American Airlines in Los Angeles, leading one of the company's largest operations in the U.S./Canadian division with more than 150 daily flights and 1,200 employees. Mr. Tiliacos leads a team responsible for Airfield and Terminal Operations, Public Safety and Security and Aircraft Rescue and Firefighting.

Tony Conza, Vice President of Finance, joined the Authority in October 2011. Prior to joining the Authority, he worked in consumer goods in forecasting and corporate finance roles. Mr. Conza leads the Financial Operations and Financial Planning areas for the Authority. Mr. Conza is an active member of the Airports Council International Finance Steering Committee.

Michael T. Kamprath, Esq., Assistant General Counsel, joined the Authority in February 2014. Prior to his association with the Authority, he practiced law for eight years concentrating in construction law, local government law, and real estate law. He is Board Certified by the Florida Bar in construction law and A/V rated by Martindale-Hubbell.

The Authority had a total of 673 employees as of April 30, 2024, including professional staff, office clerical workers, maintenance personnel, equipment operators and police officers.

Tampa International Airport

The Airport ranked 27th nationally in number of total passengers in the calendar year 2023, according to the U.S. Department of Transportation's enplaned passenger data. The Airport is classified by the FAA as a large-hub facility based on its percentage of nationwide passengers, serving approximately 23.2 million enplaned and deplaned passengers in Fiscal Year 2023.

The Airport is primarily an O&D airport. Based on U.S. Department of Transportation ticket sample data, O&D passengers accounted for approximately 97% of the total passengers at the Airport for the 12 months ended September 30, 2023. Due to the Airport's role as primarily a spoke serving airline hubs, it is not expected that connecting passengers will compose a significant portion of passenger traffic during the Projection Period (as defined herein). Connections that do occur will continue to be incidental in nature or reflect limited interline arrangements between Silver and other airlines, rather than the result of specific efforts by airlines to connect traffic through the Airport.

Due to the Air Trade Area's role as a major tourist destination, most O&D passengers are visitors residing outside the Air Trade Area. The percentage of resident O&D passengers grew in each year between Fiscal Year 2014 and Fiscal Year 2023, from 43.8% to 47.7%. O&D passenger share of total enplaned passengers increased from 93.6% in Fiscal Year 2014 to 97.1% in Fiscal Year 2023.

The Airport is an integral component of the Tampa Bay community, offering 250 daily departures and approximately 41,500 daily departing seats. Nonstop service is provided to 84 domestic destinations and 20 international destinations, which includes destinations served seasonally. As of May 2024, a total of 23 airlines provided scheduled passenger service to the Airport.

The Airport has a long history for receiving top honors in major industry surveys. In September 2023, the J.D. Power North American Airport Satisfactory Study ranked the Airport as the best among large North American airports for the second straight year. The Airport was ranked No. 2 in 2021 and has held a top-five ranking in this study since 2015. The Airport consistently ranks in the top 10 among North America's airports among several publications and survey groups, including the *Wall Street Journal, USA Today* (#2 in 2023), *Travel+Leisure* (#3 in 2023) and Airports Council International (#1 in 2023).

Passenger Terminal Facilities

General. The existing passenger terminal facilities at the Airport include a Main Terminal Building, four Airside Buildings connected to the Main Terminal Building by a fully automated elevated Passenger Transfer System ("PTS"), structured parking facilities, an integrated inline explosive detection outbound baggage system and a hotel. To guide passengers and traffic, the Authority uses the designations "Red Side" and "Blue Side," which are generally oriented north and south, respectively. Upon entering the Airport via the roadway system, patrons are guided to specific airlines, which are identified as either Red or Blue. This designation continues within the Main Terminal Building, guiding patrons to the proper bag claim areas.

In November 2021, the Authority completed construction of the Express Blue Curbside which provides direct access to the transfer level, allowing departing and inbound passengers without checked baggage to bypass ticketing or baggage claim, respectively. Eight additional express lanes on the "Red Side" are expected to open in early 2025.

Main Terminal Building and Short-Term Parking. The Main Terminal Building comprises three operating levels: baggage claim and explosive detection screening, ticketing, and passenger transfer and concessions area.

The ground level is devoted to inline explosive detection for outbound baggage, inbound baggage claim facilities and offices, and local surface transportation, including commercial ground transportation facilities at each of the four corners of the Main Terminal Building.

The second level includes airline ticket counters, curbside passenger baggage check-in and airline support offices. Level 2 of the Main Terminal Building also includes a United Service Organization facility to provide amenities for US military service personnel.

The third level, the passenger transfer level, includes station lobbies for the PTS connecting to the Airside Buildings, as well as restaurants, retail merchandise concessions and a connecting arcade to a 300-room hotel. Current concessions offerings in the Main Terminal Building include 14 locations occupying a total of approximately 43,000 square feet.

Above these three operating levels are six levels of short-term automobile parking that provide 3,582 vehicle public parking spaces. Electric vehicle charging stations are available, and SunPass, Florida's electronic toll collection system, can be used to collect parking fees.

Terminal Garage - Long-Term Parking. Adjacent to the Main Terminal Building on its south side is an eight-level Terminal Garage, with approximately 8,500 vehicle public parking spaces for long-term parking.

The Terminal Garage is connected to the Main Terminal Building by a pedestrian walkway on Level 4. Electric vehicle charging stations and alternative fuel vehicle parking are available, and SunPass can be used to collect parking fees.

Economy Garage and Lot. The Authority also operates the Economy Garage and Lot with approximately 11,300 parking spaces, south of the Main Terminal Building. It is connected to the Main Terminal Building via a 1.4 mile automated people mover ("APM"), the SkyConnect. The SkyConnect operates an additional station beyond the Economy Garage and Lot at the Airport's RCC. Restroom facilities are located in the lobby of the garage. The Economy Garage and Lot also has an electric vehicle charging station and accepts SunPass, and a 2-megawatt solar array installation is located on the Economy Garage.

Including economy spaces, the Airport currently has over 23,300 public parking spaces, of which approximately 23,100 are garage spaces. The Authority also maintains an employee parking lot located to the north of the Air Cargo Complex, away from the Main Terminal Building, which can accommodate 2,600 automobiles.

Consolidated Rental Car Center. The Airport's RCC is an approximately 2.6 million-square-foot building located south of the Main Terminal Building. The RCC is connected to the Main Terminal Building via the SkyConnect. The RCC and SkyConnect allow for the elimination of approximately 4.0 million vehicles from the Main Terminal Building roadway each year, easing congestion and connecting the RCC and Economy Garage and Lot passengers to the region's transportation network. A total of 15 rental car brands operate at the RCC with vehicle fueling, car washing, and vehicle maintenance services all located within the facility. Passengers can print boarding passes and check bags at the facility. See also "CONCESSION AND OTHER AGREEMENTS – Car Rental Concessions" herein.

Integrated Inline Explosive Detection Outbound Baggage System. The Authority uses an outbound baggage system that is a fully automated high-speed conveyor network providing common-use check-in capabilities, baggage tracking and sorting features.

The outbound baggage system is integrated with automated inline explosion detection system screening equipment, including control rooms, and baggage search/handling areas. High-speed belts transport screened baggage to the baggage makeup areas, which are located at the airsides (Airsides E and C integrate the baggage makeup area within the footprint of the building, Airsides A and F have separate baggage makeup buildings located near the airsides).

Airside Buildings. Four Airside Buildings are currently in operation: Airside Buildings A, C, E and F. The construction of Airside D is included as part of the future capital improvement program. The Airside Buildings contain PTS lobbies, passenger arrival and departure holdrooms, airline operations offices, baggage makeup and mechanical and electrical facilities spaces. The Airside Buildings each have a different configuration. Fueling is provided at each Airside Building through an underground hydrant fueling system. The Airside Buildings are described in greater detail in the following paragraphs.

Airside Building A, or Airside A, has been operational since May 1995. It is a 252,300-square-foot three-story structure with 16 aircraft gates, with 15 aircraft gates capable of handling narrowbody aircraft simultaneously, or 14 narrowbody aircraft with one widebody aircraft up to a Boeing 747-400. Commuter facilities, airline ramp operations and mechanical rooms are on the ground level. The outbound baggage sort facility building for Airside A is on the site of the demolished Airside B. Security screening, passenger gates, concessions and PTS lobbies are on the second level. A checkpoint expansion project providing 20,000 square feet of additional queuing space is anticipated to be completed in May 2025. The third-level space is provided for airline club areas and office space. Current concessions offerings in Airside A include 15 locations occupying a total of approximately 22,875 square feet.

Airside Building C, or Airside C, has been operational since April 2005. It is a 315,000-square-foot two-story structure with 16 aircraft gates capable of handling Boeing 757 (B757) aircraft simultaneously or five widebody aircraft including two B747-400 aircrafts with eight B757 aircraft at the same time. Airline ramp operations, other airline space, mechanical/electrical rooms and the outbound baggage sort facility are on the ground level. Security screening, passenger gates, concessions, and PTS lobbies are on the second level. Current concessions offerings in Airside C include 18 locations occupying a total of approximately 20,500 square feet.

Airside Building E, or Airside E, has been operational since October 2002. It is a 289,000-square-foot three-story structure with 13 aircraft gates, with eight aircraft gates capable of handling B-757 aircraft without winglets and five gates handling B-757 aircraft with winglets simultaneously. Airline ramp operations, other airline space, mechanical/electrical rooms and the outbound baggage sort facility are on the ground level. Security screening, passenger gates, concessions, a duty-free store and PTS lobbies are on the second level. As part of a similar project in Airside A, a checkpoint expansion project in Airside E providing 20,000 square feet of additional queuing space is anticipated to be completed in May 2025. The third-level space accommodates an airline club area and office space. Current concessions offerings in Airside E include 13 locations occupying a total of approximately 15,000 square feet.

Airside Building F, or Airside F, has been operational since 1987. It is a 229,000-square-foot three-story structure with 14 aircraft gates capable of handling a mix of B-757 and A-320 aircraft simultaneously or five widebody aircraft including the B747-400 aircraft and a mix of three B737 aircraft and three A320 aircraft at the same time. US Customs and Border Protection inspection services processing, mechanical/electrical areas and airline ramp operations are on the ground level. The outbound baggage sort facility is also located on the ground level in a 20,000-square-foot facility directly adjacent to the airside. Security screening, passenger gates, concessions, a duty-free shop, and PTS lobbies are on the second level. The third level provides an airline club area and office space. Current concessions offerings in Airside F include 18 locations occupying a total of approximately 21,000 square feet.

On-Airport Transportation Systems. As described above, the Airport contains two independent transportation systems to transport passengers between Airport facilities to allow passengers to efficiently access gates, parking, and RCC areas. The fully automated elevated PTS connects the Main Terminal Building with each of the Airside Buildings. Each Airside Building is served by four dedicated shuttle vehicles. The 1.4 mile SkyConnect connects passengers from the Main Terminal Building to the Economy Garage, the Airport's RCC, and the SkyCenter One office building.

Hotel. The on-Airport 300-room hotel, branded as a Marriott, has meeting and conference facilities, 55,000 square feet of office rental space, and parking spaces for 400 cars. The hotel is leased through an agreement with Host of Boston, LTD which extends through 2043. See also "CONCESSION AND OTHER AGREEMENTS – Concessions and Leases" herein.

Airfield and Other Facilities

Airfield Facilities. The Airport has three runways: an east-west crosswind runway and two parallel, prevailing wind north-south runways. These runways are connected by a fully integrated system of taxiways. The runways are equipped with lighting and electronic aids to permit all-weather continuous operations. One north-south runway (Runway 1L-19R) is 11,002 feet long and 150 feet wide and is equipped with high-intensity edge lighting, centerline lighting, an instrument landing system, and an approach lighting system. The other north–south runway (Runway 1R-19L) is 8,300 feet long and 150 feet wide and is equipped with an instrument landing system, high-intensity edge lighting and an approach lighting system. The parallel north-south runways are 4,300 feet apart, which permits simultaneous all-weather operations of the runways. The east-west runway (Runway 10-28) is 6,999 feet long and 150 feet wide and is equipped with high-intensity edge lighting. Air traffic operations are served by radar approach control and departure facilities, including airport surveillance radar located at the Airport, all operated by the FAA.

To minimize takeoff delays, the two primary north-south runways are complemented by holding aprons, which permit the bypassing of any delayed aircraft in the departure sequence. All approaches meet the FAA clearance criteria. The runway system is adequate to permit the unrestricted operation of the largest existing commercial aircraft to all North American points and to major European cities, except for the Airbus A380 (A380) — the largest passenger aircraft in the world. Runway 1R-19L is adequate for restricted operation of the A380, although the Authority does not anticipate operation of the A380 at the Airport within the Projection Period (as defined herein) of the Consultant Report. See "APPENDIX A – REPORT OF THE AIRPORT CONSULTANT."

Aircraft Parking Aprons and Taxiways. Each Airside Building has a concrete aircraft parking apron containing approximately 900,000 square feet of pavement. Additional hardstand parking was constructed on the sites of demolished Airside B and Airside D. Upon construction of Airside D, existing hardstand parking at the Airside D site will be unavailable. The North Remain Overnight project is in the process of being completed, which will add 12 aircraft parking positions totaling 541,300 square feet. The Airport also has more than 5 miles of 75-foot-wide taxiways and complementary installations, affording ready access from the Airport's three runways to the various aircraft parking aprons. Baggage cart tug roads, including grade separation structures, permit rapid transfer of baggage between each of the aircraft parking aprons and the baggage claim level in the Main Terminal Building.

Roadways. The one and a half mile, eight-lane divided George J Bean Parkway connects the Airport to a traffic interchange, providing direct access to the interstate highway system. A grade-separated traffic interchange was constructed within the terminal parkway system, providing traffic separation between airline passenger terminal traffic and traffic to the regional US Post Office situated at the Airport, adjacent to the entrance parkway. The Spruce Street/State Road 60 interchange, one of the entrances to the Airport, includes a four-level interchange, and the Courtney Campbell Causeway/State Road 60 interchange includes a three-level directional interchange.

Other Facilities. On May 6, 2010, H. Lee Moffitt Cancer Center and Research Institute Hospital, Inc. entered into a 20-year lease for the development and operation of an outpatient cancer treatment and imaging center on the site of the former reservations center leased by Continental Airlines.

The Authority owns two large hangar complexes that include a total of 320,000 square feet of hangar bays able to accommodate up to 12 narrowbody aircraft or up to six widebody aircraft simultaneously. Both facilities are currently leased to Airborne Maintenance & Engineering Services. In addition, a three-bay 85,000 square foot maintenance, repair, and overhaul hangar was constructed by United Airlines in 2021 for approximately $32 million which is located east of the Airport. The terms of the lease agreement for use of the United Airlines hangar extend through 2039.

The Authority has long-term master leases with Cousins Properties and Tampa Westshore Associates for approximately 41 acres and 113 acres, respectively, of Authority property located in the southeast corner of the Airport, of which, 59 years remain. An office complex was built on the land leased to Cousins Properties, and a hotel and the International Plaza shopping mall were built on the land leased to Tampa Westshore Associates.

In spring of 2022, the Authority's administrative offices relocated to the SkyCenter One building, located adjacent to the RCC and connected to the Airport via the SkyConnect. Construction of the nine-story, 270,000-square-foot building was completed in 2021. The Authority occupies approximately 95% of the facility, while additional tenants occupy a portion of the remaining space. The Authority purchased the building in April 2023.

A cell phone waiting lot is located north of the SkyCenter One building. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT."

Environmental Social Governances (ESG)

In 2013, the Authority used an FAA grant to develop a Sustainable Management Plan ("SMP"). With public and stakeholder input, the Authority developed an SMP that would set the pace for the Airport to be a leader in sustainability. Since that time, the Authority has worked on a variety of sustainability initiatives identified in the SMP. These efforts have resulted in significant reductions in water and electricity usage, and waste reduction. Project management plans for every major airport capital project have a checklist for sustainability opportunities which has enabled innovative sustainability solutions for things like LED lighting, water saving restroom fixtures, construction material recycling and energy management.

In 2017, the Airport System became one of 47 airports in North America, and the only in Florida, to become part of the Airports Council International Airport Carbon Accreditation Program. Through this program participating airports demonstrate their commitment to carbon reduction. The Authority is leading the way by having all four of its Airport System airports in the program and making strides in carbon reduction initiatives.

In 2019, a comprehensive review of the SMP and a Climate Change Resiliency Assessment and Initial Action Plan was completed by the Authority. As the Authority continues its leadership role in sustainability and resiliency it looks to other grant funding opportunities and partnerships with local utilities and airport business partners to make a significant difference in improving the environment in the Tampa Bay MSA and the State.

In 2023, the Authority formally updated the SMP. The SMP update will guide the next 10 years of sustainability and resiliency management for the Airport System. It includes a newly articulated vision and mission, modified goals and targets, enhanced assessment of cost and benefits of sustainability commitments, new and updated tools and processes for management, including methods for integration into existing Airport System operations processes (e.g. master, strategic and capital plans, etc.), procurement, project management, measurement and verification, reporting and communications. The SMP may be viewed at the Authority's website at: https://www.tampaairport.com/sites/default/files/HCAA%20Sustainable%20Management%20Plan_Final%202023.pdf.

Additionally, there are other studies and assessments being completed and focused on resiliency including, but not limited to, the following:

- TPA Climate Change Resilience and Initial Action Plan (initial vulnerability assessment).
- TPA SLOSH Report (storm-surge impact modeling for TPA).
- Storm-Surge Vulnerability and Adaptation Assessment – Assessment of critical infrastructure as it relates to the updated SLOSH model.
- Authority Hurricane Preparedness Response and Recovery Plan (Authority-wide hurricane preparedness plan).
- Sustainable Management Plan (focus on resilience planning and incorporation into CIP projects).

In addition to the above, the Authority entered into a long-term lease with TECO Energy in 2015 which provided for a two megawatt solar array installation on the economy parking garage and the Authority purchased four electric buses in 2023.

With respect to social and governance factors, the Authority has prioritized inclusion and diversity through its Business Diversity programs. The Authority's goal is to spend $77.7 million of the $583.3 million Phase 2 Master Plan budget with women and minority owned businesses through 2025. The Authority is close to meeting this goal, having paid out $76.2 million to such businesses through September 2023. Additionally, the Authority has paid $16.7 million to women and minority owned business through September 2023 relating to other CIP projects.

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Airlines Serving Tampa International Airport

As of May 2024, a total of 26 airlines provided regular passenger service to the Airport. These include 15 U.S. airlines and 11 foreign-flag airlines. During the year, four U.S. airlines operated both domestic and international service at the Airport: Frontier Airlines, JetBlue Airways, Silver Airways and Southwest Airlines. Additionally, three U.S. airlines operated regular charter service to Cuba. All-cargo airline data from the U.S. Department of Transportation T-100 for the Fiscal Year 2024 were available through February 2024; two all-cargo airlines served the Airport regularly during this period.

Airlines Serving the Airport
Fiscal Year 2024

U.S. Airlines[(1)]	Foreign-Flag Airlines	All-Cargo Service[(2)]
Alaska Airlines	Aeromexico	FedEx Express
American Airlines	Air Canada	United Parcel Service
Avelo Airlines	British Airways	
Breeze Airways	Cayman Airways	
Delta Air Lines	Copa Airlines	
Frontier Airlines	Edelweiss Air	
Global Crossing Airlines[(3)]	Lufthansa[(5)]	
iAero Airways[(4)]	Lynx Air[(6)]	
JetBlue Airways	Porter Airlines	
Silver Airways	Virgin Atlantic	
Southwest Airlines	WestJet Airlines	
Spirit Airlines		
Sun Country Airlines		
United Airlines		
World Atlantic Airlines[(3)]		

(1) Includes regional affiliates, where applicable.
(2) Excludes airlines operating at the Airport irregularly.
(3) Operates regular charter flights to Cuba.
(4) iAero Airways operated charter flights to Cuba under the Havana Air brand and ceased operations in April 2024 after bankruptcy restructuring was unsuccessful.
(5) Service provided by Discover Airlines, formerly known as Eurowings, a member of the Lufthansa Group.
(6) Lynx Air ceased operations in February 2024 in conjunction with filing for creditor protection.

Sources: Hillsborough County Aviation Authority, May 2024; Cirium Diio, May 2024; Ricondo & Associates, Inc., August 1, 2024.

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Enplanements and Aircraft Operations

Passenger enplanements in Fiscal Year 2023 totaled 11,560,792, an increase of 8.2% from the 10,688,831 enplanements in Fiscal Year 2022. International enplanements were 5.0% of total enplanements in Fiscal Year 2023 compared to 3.3% of total enplanements in Fiscal Year 2022. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – Passenger Demand and Air Service Analysis."

Airline Passenger Traffic
Tampa International Airport
(Fiscal Years Ended September 30)

Fiscal Year	Enplaned Passengers	Annual Percent Increase/(Decrease)	U.S. Enplanements	U.S. Growth	Share of U.S. Enplanements[1]
2014	8,673,747	2.1%	762,367,000	2.3%	1.14%
2015	9,263,336	6.8	791,906,000	3.9	1.17
2016	9,485,879	2.4	824,522,000	4.1	1.15
2017	9,638,070	1.6	845,278,000	2.5	1.14
2018	10,519,247	9.1	885,400,000	4.7	1.19
2019	11,085,290	5.4	928,000,000	4.8	1.19
2020[2]	6,681,063	(39.7)	388,000,000	(58.2)	1.72
2021[2]	7,717,164	15.5	658,000,000	69.6	1.17
2022	10,688,831	38.5	853,000,000	29.6	1.25
2023	11,560,792	8.2	938,300,000	10.0	1.23
Compounded Annual Growth Rate					
2014-2019		5.0%		4.3%	
2019-2023		3.2%		0.7%	

(1) As defined by the FAA, a large hub airport enplanes 1.0% or more of nationwide revenue enplanements.
(2) Enplanements sharply declined beginning in March 2020 as a result of COVID-19. See "IMPACT OF THE COVID-19 PANDEMIC ON THE AUTHORITY AND THE AIRPORT" and "CERTAIN INVESTMENT CONSIDERATIONS – COVID-19 Pandemic and Other Public Health Concerns " herein and APPENDIX A attached hereto for more information.

Sources: Hillsborough County Aviation Authority (Historical), May 2024; Bureau of Transportation Statistics (U.S. Enplanements)

For the nine-month period ended June 30, 2024, enplanements totaled 9,733,707, an increase of 10.1% from the 8,840,098 enplanements for the same nine-month period for the prior Fiscal Year.

Top Markets for Tampa International Airport

As of April 2024, average daily nonstop service is provided to 84 domestic and 20 international cities (including seasonal service) with a total of 250 daily flights. Included among these destinations are 22 new destinations that were not served in Fiscal Year 2019. Of the 104 routes scheduled to be served in Fiscal Year 2024, 54 are served by more than one carrier, an increase from 24 in Fiscal Year 2014. There are 23 daily nonstop flights to New York, the Airport's top O&D market. All 20 of the Airport's primary O&D markets are provided nonstop service with a total of 161 daily flights. Other primary O&D markets with a significant number of daily nonstop flights include Chicago (14 daily flights), Washington, D.C. (9 daily flights), Boston (7 daily flights). Denver (9 daily flights), Charlotte (10 daily flights) and Atlanta (18 daily flights).

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The most frequent nonstop destinations of Airport passengers are shown in the table below.

Top Markets for Tampa International Airport
Origination/Destination
Fiscal Year Ended September 30, 2023

Destination from Tampa	Total O&D Passengers (PDEW)	Airlines Providing Nonstop Service[1]
New York[2]	2,969	Delta Air Lines, Frontier Airlines, JetBlue Airways, Southwest Airlines, United Airlines
Chicago[3]	1,586	American Airlines, Frontier Airlines, Southwest Airlines, Spirit Airlines, United Airlines
Washington[4]	1,504	American Airlines, Southwest Airlines, Spirit Airlines, Sun Country Airlines, United Airlines
Boston[5]	1,414	Breeze Airways, Delta Air Lines, JetBlue Airways, Southwest Airlines, Spirit Airlines
Atlanta	1,103	Delta Air Lines, Frontier Airlines, Southwest Airlines, Spirit Airlines
Philadelphia	999	American Airlines, Avelo Airlines, Frontier Airlines, Southwest Airlines
Dallas[6]	923	American Airlines, Frontier Airlines, Southwest Airlines, Spirit Airlines
Detroit	867	Delta Air Lines, Frontier Airlines, Southwest Airlines, Spirit Airlines
Denver	836	Frontier Airlines, Southwest Airlines, United Airlines
Los Angeles[7]	629	Alaska Airlines, American Airlines, Delta Air Lines, United Airlines
Minneapolis	618	Delta Air Lines, Southwest Airlines, Sun Country Airlines
Miami[8]	580	American Airlines, Silver Airways, Southwest Airlines, Spirit Airlines
San Juan	567	Frontier Airlines, JetBlue Airways, Southwest Airlines, Spirit Airlines
Las Vegas	547	Frontier Airlines, Southwest Airlines, Spirit Airlines
Nashville	543	American Airlines, Southwest Airlines
Houston[9]	514	Southwest Airlines, Spirit Airlines, Sun Country Airlines, United Airlines
Cleveland	476	Frontier Airlines, Southwest Airlines, Spirit Airlines
Raleigh	452	American Airlines, Avelo Airlines, Breeze Airways, Delta Air Lines, Southwest Airlines
Phoenix[10]	401	American Airlines, Frontier Airlines, Southwest Airlines
Indianapolis	400	Southwest Airlines, Spirit Airlines
Other O&D Markets	**8,889**	
Total O&D Passengers	**26,817**	

NOTES: Figures may not add due to rounding. PDEW = Per Day Each Way
(1) Scheduled service operated during Fiscal Year 2023.
(2) Includes John F. Kennedy International (JFK), Newark Liberty International (EWR), Long Island MacArthur (ISP), LaGuardia (LGA) and New York Stewart International (SWF) Airports.
(3) Includes O'Hare (ORD) and Midway (MDW) International Airports.
(4) Includes Ronald Reagan Washington National (DCA), Washington Dulles International (IAD), and Baltimore/Washington International Thurgood Marshall (BWI) Airports.
(5) Includes Boston Logan International (BOS), Manchester-Boston Regional (MHT), and T. F. Green International (PVD) Airports, as well as Portland International Jetport (PWM).
(6) Includes Dallas Fort Worth International Airport (DFW) and Dallas Love Field (DAL).
(7) Includes Los Angeles International (LAX), Ontario International (ONT), Hollywood Burbank (BUR), Long Beach (LGB), and John Wayne (SNA) Airports.
(8) Includes Fort Lauderdale–Hollywood International (FLL), Miami International (MIA), and Palm Beach International (PBI) Airports.
(9) Includes George Bush Intercontinental Airport/Houston (IAH) and William P. Hobby (HOU) Airports.
(10) Includes Phoenix Sky Harbor International (PHX) and Phoenix-Mesa Gateway (AZA) Airports.
Source: Sabre Market Intelligence, April 2024 (passenger bookings data); Cirium Diio, April 2024 (published airline schedules).
Prepared by: Ricondo & Associates, Inc., August 1, 2024.

See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT."

The table below presents the historical share of enplanements by airline at the Airport between Fiscal Year 2019 and Fiscal Year 2023. As shown, enplanements are spread over a large number of carriers, with no carrier having more than 31.2% of annual enplanements at the Airport during the years depicted.

Airline Market Share of Enplaned Passengers
Tampa International Airport
Fiscal Years Ended September 30,

	2019		2020[3]		2021[3]		2022		2023	
AIRLINE[1]	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE
Southwest Airlines	3,458,483	31.2%	2,023,101	30.3%	2,216,345	28.7%	2,839,916	26.6%	2,982,589	25.8%
Delta Air Lines	1,894,400	17.1	1,027,482	15.4	1,346,173	17.4	1,897,915	17.8	2,003,210	17.3
American Airlines	1,747,838	15.8	1,091,505	16.3	1,334,081	17.3	1,870,902	17.5	1,851,607	16.0
United Airlines	1,110,859	10.0	625,121	9.4	804,907	10.4	1,105,700	10.3	1,181,125	10.2
Frontier Airlines	592,050	5.3	413,770	6.2	423,100	5.5	735,602	6.9	937,698	8.1
JetBlue Airways	628,543	5.7	360,992	5.4	528,712	6.9	660,733	6.2	818,308	7.1
Spirit Airlines	948,061	8.6	735,749	11.0	808,499	10.5	920,359	8.6	785,965	6.8
Breeze Airways	0	0.0	0	0.0	26,062	0.3	112,104	1.0	160,729	1.4
Air Canada	151,282	1.4	92,194	1.4	8,311	0.1	93,879	0.9	151,191	1.3
Alaska Airlines	73,380	0.7	58,878	0.9	94,147	1.2	114,751	1.1	129,509	1.1
Silver Airways	81,053	0.7	52,514	0.8	56,104	0.7	59,978	0.6	87,256	0.8
Avelo Airlines	0	0.0	0	0.0	0	0.0	25,457	0.2	81,584	0.7
British Airways	79,508	0.7	36,687	0.5	0	0.0	63,334	0.6	79,491	0.7
Sun Country Airlines	65,311	0.6	42,415	0.6	59,991	0.8	70,491	0.7	72,530	0.6
Virgin Atlantic	0	0.0	0	0.0	0	0.0	0	0.0	58,469	0.5
Lufthansa	64,893	0.6	34,696	0.5	0	0.0	42,608	0.4	57,431	0.5
WestJet Airlines	51,370	0.5	34,556	0.5	0	0.0	15,635	0.1	31,631	0.3
Copa Airlines	34,790	0.3	14,308	0.2	8,142	0.1	21,353	0.2	31,146	0.3
Cayman Airways	19,794	0.2	8,582	0.1	0	0.0	12,812	0.1	21,486	0.2
All Others	83,675	0.8	28,513	0.4	2,590	0.0	25,302	0.2	37,837	0.3
Airport Total	**11,085,290**	**100.0%**	**6,681,063**	**100.0%**	**7,717,164**	**100.0%**	**10,688,831**	**100.0%**	**11,560,792**	**100.0%**

(1) Includes regional/commuter affiliates and airlines included in mergers.
(2) Consists of airlines no longer serving the Airport, unaffiliated airlines, and/or charter airlines.
(3) Enplanements sharply declined beginning in March 2020 as a result of COVID-19. See "CERTAIN INVESTMENT CONSIDERATIONS – COVID-19 Pandemic and Other Public Health Concerns."

Sources: Hillsborough County Aviation Authority, April 2024; Cirium Diio, April 2024.
Prepared by: Ricondo & Associates, Inc., August 1, 2024.

See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT."

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AIRPORT CAPITAL PROGRAM

General

The Authority's CIP for Fiscal Year 2025 through Fiscal Year 2030 has an estimated cost of approximately $3.5 billion, comprised of approximately $1.8 billion of 2024 Projects, approximately $456.2 million of 2022 Master Plan projects, and approximately $1.3 billion of additional CIP projects. See Table 3-1 in APPENDIX A for the anticipated funding sources associated with the Capital Program.

The Master Plan

The Airport Master Plan is being undertaken in three phases:

- Phase I: Decongestion
    - Phase I of the Master Plan was completed in 2018.
    - The primary components included projects which were designed to decongest the Airport's roadways and curbsides, expand rental car operations, improve passenger circulation through the construction of the APM (known as SkyConnect), and increase passenger circulation space on the Transfer Level of the Main Terminal by 33,000 square feet.
- Phase II: Enabling
    - Projects designed to expand capacity on the curbside and to continue preparation for construction of the future Airside D facility included in Phase III. Construction of the future Airside D will be necessary to accommodate forecasted international and domestic passenger growth.
    - Some Phase II projects were funded in part with the Authority's Airport Revenue Bonds, 2018 Series E (AMT) (the "2018E Bonds"), Airport Revenue Bonds, 2018 Series F Bonds (Non-AMT) (the "2018F Bonds") and Airport Subordinated Revenue Bonds, 2018 Series A (PFC AMT) (the "Subordinated 2018A Bonds"). These projects included the following: the Main Terminal curbside expansion, central energy plant and loading dock replacement, SkyCenter area development, FAA parking lot, widen and rehabilitate the George J. Bean Parkway and new economy parking, demolition of red side rental car garage and Airside D guideway, and Taxiway A and bridge, the Authority office complex/interior office fit-out, Main Terminal curbside red side construction and demolition of the administration building.
    - The Authority anticipates these projects will be completed by 2025.
- Phase III: Expansion
    - Anticipated to include the construction of the Airside D facility with 16 international and domestic gates. These projects are also designed to increase concessions space. The Airside D project is expected to be included in the 2024 Projects funded, in part, with proceeds of the 2024B Bonds.

- The Airside D construction is expected to be funded, in part, by the 2024B Bonds and future bonds, including PFC-backed debt, Florida Department of Transportation ("FDOT") funding, PFC pay-go funding and grant funds from the Infrastructure Investment and Jobs Act of 2021 ("IIJA"). See "FINANCIAL FACTORS – Future Financings" below.

Additional CIP Projects

In addition to the Master Plan projects and the 2024 Projects, the Authority's Capital Program also includes additional CIP projects totaling approximately $1.3 billion. These additional CIP projects will refurbish and improve existing facilities and infrastructure and includes the following:

- Approximately $571.4 million for terminal complex projects (replacement, rehabilitation, and upgrades of equipment, restrooms, interior and exterior finishes, and roof structures, for Airsides A, C, E, and F, and the Main Terminal).

- $502.5 million for airfield projects (including the concrete replacement of Runway 1R-19L and Taxiway C, various taxiway pavement rehabilitation, airport rescue and firefighting facility and equipment maintenance and acquisition, fuel committee projects, and other airfield projects).

- $49.8 million for other projects (including the improvement of infrastructure for the Drew Park maintenance, repair and overhaul cluster area and administrative capital projects).

- $6.6 million in cargo projects (including existing cargo building expansion, the cargo/GSE roll-up door replacement, and other cargo-related rehabilitation projects).

- $32.6 million in commercial landside projects (including rehabilitation and repairs for all parking garages, cell phone lot equipment/lighting replacement, premium parking installation, and other commercial landside projects).

- $121.8 million in auxiliary and general aviation projects (including various rehabilitation and expansion projects for Peter O. Knight, Plant City, and Tampa Executive Airports and improvements related to general aviation).

- $24.9 million in roads and grounds projects (including the installation of dynamic signage on roads leading to the Airport, service road rehabilitation, and other road signage, replacement, and expansion projects).

See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT" for more information.

The 2024 Projects

The 2024 Projects are expected to consist of the Airside D project which has a total cost of approximately $1.5 billion, as well as certain CIP projects described herein. The total budgeted cost of the 2024 Projects is approximately $1.8 billion, of which approximately $425.0 million is anticipated to be funded with proceeds from the 2024B Bonds.

Master Plan Projects Included within the 2024 Projects – Airside D and Associated Shuttle Infrastructure

The 2022 Master Plan Update validated that the Airport will be unable to accommodate additional demand on the four airsides once the traffic level reaches 27.5 million annual passengers (forecast to occur in 2028), at which point the Airport will experience a deficit of eight gates, increasing to a deficit of 13 gates by 2032.

The analysis recommended that a 16-gate Airside D concept maximizes the number of gates that can be developed on the site. Airside D will be designed to accommodate all departure and arrival passenger functions for both domestic and international operations. The preliminary planning for Airside D contemplates a multi-level facility totaling approximately 600,000 square feet, which square footage is preliminary and subject to change.

The overall Airside D program and scope includes the following:

- 16-gate, multi-level domestic and international airside terminal;
- Airline functions on all levels;
- New apron and hydrant fuel system;
- TSA Security Screening Checkpoint;
- TSA Checked Baggage Inspection System and Checked Baggage Reconciliation Area;
- US Customs and Boarder Protection ("CBP");
- Concessions and other commercial programs;
- Common building spaces, restrooms, and circulation corridors; and,
- Shuttle Station for connectivity to the Main Terminal.

Airside D will be the fifth airside terminal at the Airport and the first new one since the completion of Airside C in 2005. The Airside D project was approved in the Authority's Fiscal Year 2023 Budget. The Part 1 design contract was awarded at the August 3, 2023, Board meeting. It is estimated that the project will be substantially complete by Fiscal Year 2028.

CIP Projects Included within the 2024 Projects

Set forth below are summaries of the CIP Projects included within the 2024 Projects, along with their estimated costs. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT" for more information.

Airside E Running Surface ($19.9 million). This project consists of the replacement of the four shuttle cars that run on the guideway between Airside E and the Main Terminal. It also includes all the supporting infrastructure and systems associated with the guideway and subsystems including concrete running surface replacement, power rails, flags, power distribution, commissioning of cars and all other necessary elements for a fully complete and operational guideway system. Airside E was constructed and opened in 2002 and included four new shuttle cars, supporting systems, and running surface. Typically, APM vehicles have a service life of approximately 25 years or between 1.0 and 1.5 million miles (with appropriate mid-life overhauls). Other equipment and subsystems (i.e., train controls, traction power, communications, and wayside equipment) have a typical service life ranging between 15 and 20 years. The project is estimated to be completed by September 2025.

Asphalt Overlay Runways 10-28 and 1R-19L ($15.0 million). This project consists of the rehabilitation of the asphalt pavement sections for Runway 10-28 and Runway 1R-19L. Rehabilitation activities are expected to consist of milling and overlaying of asphalt surfaces. The rehabilitation project is estimated to be completed by December 2024.

Since 2010, the Authority, as required by the FAA, has conducted an Airport Pavement Management System ("APMS") evaluation that identifies pavement conditions and deficiencies. During this evaluation, each pavement area is assigned a Pavement Condition Index ("PCI") ranging from 0 (worst possible condition) to 100 (best possible condition). Through an extrapolation of PCI data to the mid-point of expected construction, the PCI values of asphalt pavement sections of Runways 10-28 and 1R-19L are estimated to be 66 and 53, respectively. PCI values less than 70 are considered eligible for FAA funding for rehabilitation and per the 2021 APMS, these pavements should be rehabilitated at this time.

Baggage System Design and Construction ($250.4 million). The existing checked baggage screening system at the Airport comprises three separate systems, separate systems for Airsides A and C (eastside) and one for Airsides E and F (westside). The relocation and upgrades for the eastside baggage screening system was completed in May 2023. The westside baggage screening system is the original in-line baggage screening system that was commissioned in 2005. TSA is conducting ongoing maintenance projects to keep the existing system in service.

These separate systems cause constraints on the Ticket Level because the airline ticket counters, and the associated conveyors, deliver bags to specific airsides based on the baggage system function, layout, and location. The baggage handling system for the westside project will be designed in a way to replace the existing loop systems in the Main Terminal bag makeup area, which will interconnect and provide the ability to deliver bags to any airside regardless of the Ticket Level check-in location, thereby, removing the constraint. This feature will provide the needed flexibility on the Ticket Level and the check-in counters, so that the Airport can continue to grow as airlines are added to the air service network. The project is estimated to be completed in Fiscal Year 2028.

The 2024B Bonds will fund approximately $10.9 million of the design of the baggage system project. Remaining design costs, along with construction costs, are anticipated to be funded with proceeds of future bonds.

FINANCIAL FACTORS

Budget Procedures

The Authority operates on a Fiscal Year commencing October 1st and ending September 30th. The Authority's budget is prepared in June of each year by the Finance Department, with input from all Department Directors, Vice Presidents, Executive Vice Presidents and the Chief Executive Officer. The airlines that enter into Space Rental Agreements (the "Signatory Airline(s)"), through their Airport Airline Affairs Committee, are entitled to review and comment upon, but do not have the right to approve or disapprove the proposed operating and capital budgets. After review and receipt of recommendations relating thereto by the Authority's Airport Consultant, the budget is presented to the Authority Board in August. After their review, the Board adopts the budget at the September meeting. New rates and charges are effective October 1 of each Fiscal Year and the budget and rates and charges may also be modified during the year, should conditions warrant.

Historical Operating Results

The following table presents historical operating results of the Authority for the Fiscal Years 2019 through and including 2023.

Hillsborough County Aviation Authority
Historical Operating Results[1]
(In thousands)

	Fiscal Years 2019-2023[2]				
OPERATING REVENUES	2019	2020[3]	2021[3]	2022	2023
Passenger Airlines Revenue	$ 70,816	$ 59,059	$ 85,910	$ 105,523	$ 116,873
Parking	74,132	41,234	46,422	81,677	95,251
Rental Cars	44,919	32,603	39,332	54,989	51,695
Concessions	33,891	21,400	21,619	36,363	43,119
Commercial Rentals	7,570	8,472	11,406	12,366	12,962
Ground Transportation	6,177	4,343	4,051	6,463	7,977
Cargo	5,664	6,111	6,594	6,996	6,019
General Aviation	4,283	4,277	4,663	5,053	5,253
SkyCenter Revenue	-	-	-	371	3,199
Utilities and Other Reimbursable	6,010	5,555	4,003	2,097	1,876
Total Operating Revenues	253,462	183,054	224,000	311,898	344,224
OPERATING EXPENSES					
Personnel Compensation and Benefits	71,664	71,682	71,945	84,253	86,588
Contractual Maintenance	24,474	25,126	21,749	25,087	29,535
Contracted Services	22,197	20,844	19,586	23,705	27,095
Communications and Utilities	13,670	12,106	12,662	14,233	16,811
Pension Adjustment	8,284	9,297	(3,890)	1,779	13,483
Insurance	3,585	3,704	4,527	5,305	6,960
Supplies and Materials	3,927	3,893	4,094	4,741	5,537
SkyCenter Building Expenses	-	-	193	3,624	3,732
Other	6,215	2,119	2,931	4,935	2,149
Total Operating Expenses	154,016	148,771	133,797	167,662	191,890
Signatory Airline Net Revenue Sharing	16,253	538	1,188	4,085	4,564
Operating Income Before Depreciation and Amortization	83,193	33,745	89,015	140,151	147,770
Depreciation and Amortization	150,438	129,013	126,930	167,619	178,969
OPERATING LOSS	(67,245)	(95,268)	(37,915)	(27,468)	(31,199)
NON-OPERATING REVENUES AND EXPENSES					
Interest Income	17,579	12,279	3,474	7,514	31,393
Lease Interest Income	-	-	-	11,185	11,161
Net Unrealized Investment Gain	10,549	4,555	(6,031)	(16,840)	2,960
Interest Expense	(63,657)	(63,646)	(62,207)	(67,560)	(68,752)
Loss on Disposal of Capital Assets	-	-	(3,880)	(17,121)	(1,087)
CARES, CRRSA and ARPA Acts Airport Proceeds[4]	-	60,592	38,816	42,560	32,548
Total Nonoperating Expenses – Net	(35,529)	13,780	(29,828)	(40,262)	8,223
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS	(102,774)	(81,488)	(67,743)	(67,730)	(22,976)
CAPITAL CONTRIBUTIONS					
Passenger Facility Charges	43,211	25,058	32,493	42,032	45,855
Federal and State Grants	20,473	36,515	26,592	38,852	36,474
Federal Reimbursements	20,959	23,282	13,572	10,742	7,146
Customer Facility Charges – Net	31,807	17,207	17,526	24,699	28,135
Other Contributions[5]	-	32,389	-	-	-
Total Capital Contributions	116,450	134,451	90,183	116,325	117,610
CHANGE IN NET POSITION	13,676	52,963	22,440	48,595	94,634
Total Net Position - Beginning of Year	1,123,306	1,136,982	1,189,945	1,212,385	1,260,980
TOTAL NET POSITION – END OF YEAR	$1,136,982	$1,189,945	$1,212,385	$1,260,980	$1,355,614

(1) The historical operating results were derived from the Authority's audited financial statements for the Fiscal Years 2019 through and including 2023. See "FINANCIAL STATEMENTS" herein. Certain categories may differ from the audited financial statements for certain Fiscal Years as a result of the implementation of new GASB rules.
(2) Totals may not foot due to rounding.
(3) Results impacted by COVID-19. See "CERTAIN INVESTMENT CONSIDERATIONS – COVID-19 Pandemic and Other Public Health Concerns" herein for more information.
(4) CARES Act proceeds were used in Fiscal Years 2020 and 2021, CRRSA Act proceeds were used in Fiscal Year 2021 and 2022, ARPA Act proceeds were used in Fiscal Year 2022 and 2023.
(5) Represents a one-time transfer of ownership of the completed United Airlines maintenance hangar facility.

Source: Hillsborough County Aviation Authority.

Management Discussion of Historical Financial Results

The information under this heading is primarily from the Authority's audited financial statements for the Fiscal Year 2023. See APPENDIX B – "AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2023" for more information.

The following table summarizes passenger airline rents, landing fees, net revenue sharing and cost per enplaned (departing) passenger for Fiscal Years 2021 through 2023 (in thousands).

	Fiscal Years		
Passenger Airline Costs*	2021	2022	2023
Airline Landing Fees	$20,907	$25,657	$26,956
Landside Terminal Rentals	32,584	40,086	44,430
Airside Building Rentals	31,604	39,781	45,487
Total Airline Fees and Charges	85,095	105,523	116,873
Less: Airline Revenue Sharing	(1,188)	(4,085)	(4,564)
Net Airline Fees and Charges	$83,907	$101,438	$112,309
Enplaned Passengers	7,717	10,689	11,561
Airline Cost per Passenger	$10.87	$9.49	$9.71

* All costs other than Airline Cost per Passenger are shown in thousands.
Source: Hillsborough County Aviation Authority.

Airport Activity

A total of 23.2 million passengers traveled through the Airport in Fiscal Year 2023, which was 8.3% higher than Fiscal Year 2022 as the carriers added four new markets over the course of the year for a total of 95 airports served.

Passenger enplanements at the Airport for Fiscal Year 2023, totaled 11.6 million, an 8.2% increase as compared with 10.7 million enplanements in Fiscal Year 2022. As a result of these factors, the Airport's operating revenues grew up to $344.2 million, $32.3 million or 10.4% above the Fiscal Year 2022.

For Fiscal Year 2023, the top three airlines, in terms of passenger enplanement and market share, were Southwest, Delta, and American. Southwest remained the highest market share at 25.8%, Delta was in second at 17.3%, and American was third at 16.0%.

Landed weight in Fiscal Year 2023 totaled 13,438,182 thousand pounds, compared to 12,688,662 thousand pounds in Fiscal Year 2022. The number of landings for domestic and international flights was 87,099 for Fiscal Year 2023, compared to 82,579 for Fiscal Year 2022.

Operating Revenues

Overall, the total operating revenues of the Authority were $344.2 million in Fiscal Year 2023, an increase of $32.3 million, or 10.4%, compared with Fiscal Year 2022. As previously mentioned, this increase was primarily due to increases in passenger traffic.

Following years of record rental car concessions performance during the COVID-19 pandemic with limited inventory and inflated leisure demand, the Authority's rental car concession revenue decreased by

$3.3 million, or 6.0%, however, actual results were ahead of the Authority's operating budget. Parking revenue finished up by more than $13.6 million, or 16.6%, as compared with the last Fiscal Year.

Operating Expenses

The Authority took action to reduce Fiscal Year 2020 operating expenses below budgeted expenses by more than $10 million in response to the COVID-19 pandemic crisis. Fiscal Year 2021 operating expense budget reflected continued resiliency as the Authority managed the financial and operational impact of the pandemic. The actual results demonstrated management's ability to effectively deal with the economic crisis and not only maintain but build financial reserves during some of the hardest times the industry has ever experienced.

Total operating expenses were $191.9 million for Fiscal Year 2023, which represents a $24.2 million, or 14.5% increase versus Fiscal Year 2022. Expenses excluding Governmental Accounting Standards Board ("GASB") 68 Pension and GASB 75 Other Post-Employment Benefits ("OPEB") balances were $178.4 million, an increase of $12.5 million compared with Fiscal Year 2022. A comparative analysis of major expenses indicates that the gross payroll expenses increased by $2.3 million, or 2.8%. This increase is attributable to the hiring of staffing concurrent with the return to normal operations and cost of living adjustment, which increased salaries and wages by $3.3 million and Florida Retirement System and Federal Insurance Contributions Act contributions by $1.5 million. Health insurance related expenses increased by $0.75 million due to the rising cost of medical claims. An increase of $11.7 million in pension adjustment was due to GASB 68 pension reporting requirements.

Non-personnel costs were $10.2 million, or 12.5% higher than Fiscal Year 2022. Contracted services and maintenance costs increased by $7.8 million, or 16.1% higher, due to high inflationary level that drives overall costs going up. Utilities expenses increased by $2.6 million, or 18.1%, which was attributable to the rate increases. The insurance costs increased $1.7 million, or 31.2%, reflecting current property insurance market trend in Florida. Supplies, materials and equipment expenses increased by $0.8 million, or 16.8%. Other expenses decreased $2.8 million, primarily due to the adoption of GASB 96 SBITAs and termination of the GASB 87 office building lease which resulted a decrease of $3.2 million in lease and subscription IT expenses, offsetting the increase of $0.6 million relating to cloud information technology service, travel and business promotions as a result of normal business operations.

Changes in Net Assets

Current assets as of September 30, 2023 totaled $501.1 million, an increase of $21.2 million from the prior Fiscal Year. The major contributing factors are increases in cash and cash equivalents balance by $77.4 million as the Authority put more funds into the investment pools to gain a high rate of return and in demand withdrawal capability, $12 million in government grants receivable, and $7.1 million in accounts receivable, lease receivable and other asset, to offset a decrease of $75.3 million in net current investments.

Current assets as of September 30, 2020 totaled $479.9 million, an increase of $173.1 million from the prior Fiscal Year. The contributing factors were an increase in investment balance by $163.4 million resulting from a large sum of the operating cash funds being invested to generate higher rate of returns as the Federal Reserve raised the interest rate multiple times in 2022; and an increase in lease receivable of $53.1 million as a result of adoption of the GASB 87 standard, as well as increases in accounts receivable, prepaids and other assets of $7.4 million, which offset the decrease of cash and cash equivalents of $50.9 million.

Current liabilities, with a balance of $120.7 million as of September 30, 2023, $15.9 million higher than the balance of the prior Fiscal Year. The change was primarily attributable to increases in construction projects payable of $9.1 million, the Authority's purchase of SkyCenter providing tenant allowance and accrued building expenses of $7.1 million in fiscal year 2023, $1.7 million in current bonds principal payable, and $0.9 million in airline revenue sharing and other current liabilities. An overall decrease of accounts payable and accrued expenses of $1.5 million offsets the increase in current liabilities.

Current liabilities, with a balance of $104.8 million as of September 30, 2022, were $5.7 million higher than the balance of the prior Fiscal Year. The change was primarily attributable to a net increase of $11.8 million in accounts payable, accrued expenses, airline revenue sharing and other current liabilities, and an increase of $3.6 million in current bonds principal payable. An overall decrease of project liabilities of $12.9 million offsets the increase in current liabilities. In addition, current lease payable of $3.2 million was reported in accordance with the GASB 87 requirements.

In addition, a current lease payable of $0.272 million, a decrease of $3 million as a result of the purchase was reported in accordance with the GASB No. 87 requirements. The adoption of the GASB 96 resulted $1.7 million of Subscription IT current liability being recorded in Fiscal Year 2023.

As of September 30, 2023, non-current liabilities totaled $1.8 billion, a decrease of $58.1 million, as compared with the balance of prior Fiscal Year end. The decrease is primarily attributable to reclassification of bonds principal due within a year to current liability and amortization of bonds premium totaling $57.4 million, decrease of lease liability of $18.5 million due to SkyCenter purchase, in accordance with the GASB 87 requirements. Pension liability increase by $13.4 million due to GASB 68 pension reporting requirements. In addition, non-current Subscription IT liability of $4.3 million was recorded in accordance with the GASB 96 requirements.

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Cash and Investment Balances

	As of September 30,[(1)]				
	2019	2020	2021	2022	2023
Operating Funds					
Revenue Fund	$20,642,043	$13,385,543[(2)]	$22,991,226	$27,274,365	$27,999,505
Operating & Maintenance Fund	14,464,312	17,713,517	9,085,498	10,458,068	13,614,133
Operating Reserve Account	23,857,708	24,642,024	22,886,635	26,315,315	30,330,711
Other	2,111,673	1,261,650	3,383,650	799,267	782,723
Subtotal	$61,075,736	$57,002,734	$58,347,009	$64,847,015	$72,727,072
Surplus Fund[(3)]	$106,809,072	$103,900,306	$169,257,938	$281,928,427	$265,267,800
Total Funds Available	$167,884,808	$160,903,040	$227,604,947	$346,775,442	$337,994,872
Operating Expenses (actual/day)	$382,682	$372,215	$365,282	$421,780	$472,242
Days Cash on Hand	439	432	623	822	716
Debt Service Funds	$124,318,151	$118,109,890	$108,514,346	$133,099,021	$134,861,358
Capital Improvement and Equipment Funds					
Capital Improvement and Equipment Funds[(4)]	$8,039,873	$4,095,731	$358,705	$1,256,371	$1,049,615
Rental Car Facility Fee for Future Improvements	63,134,553	56,475,970	47,464,442	45,090,080	46,816,544
Bond/CP/Bank Notes Construction Funds	-	25,159,613	41,828,922	0	0
PFC Fund	68,877,097	66,021,568	63,724,447	76,018,407	93,695,087
Senior Bonds	268,081,565[(4)]	166,651,351	75,305,270	296,766,490	191,290,276
Subordinated Bonds	87,780,315[(5)]	57,161,336	24,063,607	17,402,259	16,001,408
CFC Bonds	10,951,124	9,196,375	1,980,319	1,904,415	1,643,991
Subtotal	$506,864,527	$384,761,944	$254,725,712	$438,438,022	$350,496,921
Total Cash & Investments	$799,067,486	$663,774,873	$590,845,006	$918,312,484	$823,353,151

(1) The historical cash and investment balances were derived from the Authority's audited financial statements for the Fiscal Years 2019 through 2023. See "FINANCIAL STATEMENTS" herein.
(2) Results impacted by COVID-19.
(3) The Authority used $123.5 million of surplus funds to purchase the SkyCenter One Office Building in March 2023.
(4) Amounts primarily include Authority-funded capital improvement funds, along with grant reimbursements. Variations from year to year are primarily due to timing between the dates of funding and payments or reimbursements, as amounts reported are as of the reporting date.

Source: Hillsborough County Aviation Authority.

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Risk Management and Insurance

The Authority has in place a comprehensive airport liability insurance policy with Global Aerospace, Inc., which provides a policy limit of $300 million and a comprehensive excess airport liability insurance policy with XL Specialty Insurance Company, which provides a policy limit of $200 million. The Global Aerospace, Inc. liability policy includes $150 million aggregate sublimit for war and a policy limit of $1 million for active shooter and terrorism coverage. Both annual policies expire on October 1, 2024. The Authority is also named as an additional insured on liability policies required to be maintained by all airline operators and airport tenants.

The Authority has $500 million of property insurance coverage on a quota share basis with AIG Specialty Insurance Company, ACE American Insurance Company, Starr Surplus Lines Insurance Company, National Fire & Marine Insurance Company, Underwriter at Lloyd's, London (Ark), Columbia Casualty Company, XL Insurance America, Inc., Westfield Specialty Insurance Company, Everest Indemnity Insurance Company, Sutton Specialty Insurance Company, Princeton Excess & Surplus Lines Ins Co, Evanston Insurance Company, Lloyd's Syndicate 510 (Tokio Marine Kiln Syndicates Limited), Scottsdale Insurance Company, Falls Lake Fire and Casualty Company, and Chubb Bermuda International Insurance Ireland Designated Activity Company. The policies expire on April 1, 2025, but are expected to be renewed on similar terms. The total coverage limit for property insurance is $500 million with sublimits of $100 million per occurrence of property terrorism coverage, $5 million aggregate of nuclear, chemical, biological and radiological coverage, $75 million of hurricane coverage, and $75 million of flood coverage. This property insurance has a deductible of 5% of total insurable values at the time of the loss at each insured location, calculated on a property specific basis, subject to a minimum of $250,000 for any one occurrence for Special Flood Hazard Area or Named Storm and a $250,000 all other perils deductible. The Authority's workers' compensation insurance is provided by the Florida Municipal Insurance Trust. Health insurance is self-insured and currently managed by Aetna.

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Outstanding Bond and Note Indebtedness

After the issuance of the 2024B Bonds, the Authority will have the following Outstanding Bonds and Notes as follows:

Series	AMT Tax Status	Final Maturity Date (October 1)	Principal Amount Outstanding after Issuance of the 2024B Bonds
Senior Bonds[(1)]			
2017A[(2)]	AMT	2031	54,665,000
2018B[(2)]	AMT	2028	32,175,000
2018C[(2)]	AMT	2033	26,665,000
2018E	AMT	2048	128,110,000
2018F	Non-AMT	2048	146,725,000
2021A[(2)]	AMT	2027	31,400,400
2022A	AMT	2052	263,045,000
2022B	Non-AMT	2052	111,080,000
2024A[(2)]	AMT	2027	89,745,000
2024B	AMT	2054	462,975,000
Total Senior Bonds			**$1,346,585,400**
Subordinated Bonds[(3)]			
2018A	AMT	2048	102,500,000
2022A	Taxable	2044	344,800,000
Total Subordinated Bonds			**$447,300,000**
Total Senior and Subordinated Bonds			**$1,793,885,400**
CFC Bonds[(4)]			
2015A	Non-AMT	2044	88,975,000
2015B	Taxable	2041	249,995,000
Total CFC Bonds			**$338,970,000**
Total Bonds			**$2,132,855,400**
Subordinated Notes[(5)]			
2020A Notes			$0
Total Bonds and Notes			**$2,132,855,400**

(1) The Bonds are payable from Revenues derived by the Authority from operation of the Airport System after the payment of Operating Expenses.
(2) Not publicly offered.
(3) The Subordinated Bonds are payable from Pledged Revenues from the operation of the Airport System, that are available for payment of subordinated indebtedness under the Trust Agreement and Available PFC Revenues available to pay subordinated PFC indebtedness under the Trust Agreement. No indebtedness secured by Senior PFC Revenues is currently outstanding.
(4) The CFC Bonds are payable from Pledged Cash Flow, which is defined in the Authority's CFC Trust Agreement dated September 1, 2015, as supplemented by a Supplemental Trust Agreement dated September 1, 2015, and generally includes On-Airport CFCs, Off-Airport CFCs and On-Airport Concessionaire Deficiency Payments.
(5) The Subordinated Notes are payable from Pledged Funds. See "Revolving Credit Agreement" on the following page for more information on the 2020A Notes and the Pledged Funds. The 2020A Notes are subordinate to the Bonds and Subordinated Bonds.

Revolving Credit Agreement

The Authority issued its Tampa International Airport Subordinated Revenue Notes, Series 2020A (the "2020A Notes") pursuant to the Revolving Credit Agreement dated as of April 20, 2020 and, unless extended, expiring May 11, 2025, among the Authority, Truist Bank, Truist Commercial Equity, Inc., and Truist Bank, as agent (the "Revolving Credit Agreement").

The Revolving Credit Agreement, in the amount not to exceed $100,000,000, is restricted for funding Authority capital requirements. Effective July 1, 2020, the Revolving Credit Agreement was amended to increase the line to $200,000,000, originally through June 30, 2021, which was subsequently extended through January 1, 2023. On January 1, 2023, the Revolving Credit Agreement, was reduced to the original $100,000,000 limit. Incremental draws under the Revolving Credit Agreement require that the Authority be in compliance with its covenants and that all of its financial reporting be current. Additionally, each draw on the Revolving Credit Agreement will be tied to a specific project or group of projects. The Revolving Credit Agreement currently provides for a Secured Overnight Financing Rate based interest rate.

The Authority covenanted in the Revolving Credit Agreement that the proceeds of any new Bonds, Subordinated Bonds, and grant proceeds received to refinance or repay costs associated with projects initially financed under the Revolving Credit Agreement will be used first to repay the draw or draws made specifically for that project on the Revolving Credit Agreement.

Amounts due and payable under the Revolving Credit Agreement are secured by the "Pledged Funds," which include the Revenues of the Authority, if any, available for the payment of subordinated indebtedness pursuant to the Trust Agreement, after making all distributions required under the Subordinated Trust Agreement and "Available PFC Revenues" as defined in the Trust Agreement available for payment of subordinated PFC indebtedness under the Trust Agreement, after making all deposits required under the Subordinated Trust Agreement to be paid from Available PFC Revenues, but only to the extent debt service on the 2020A Notes are eligible to be paid from PFCs. Thus, the outstanding Bonds and the Subordinated Bonds have, and the 2024B Bonds will have, superior payment positions to the Revolving Credit Agreement on Revenues pursuant to the Trust Agreement and, to the extent applicable, on Available PFC Revenues under the Trust Agreement.

As of the date hereof, the Authority does not have any amounts outstanding under the Revolving Credit Agreement. The Authority does not have any expectations for any future draws during the remainder of Fiscal Year 2024 at this time, but may access or increase its credit line under the Revolving Credit Agreement in the future. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – The Capital Program, the 2024 Projects, and Funding Sources."

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Historical Debt Service Coverage

The actual annual debt service coverage ratios for the five Fiscal Years 2019 through 2023 are presented in the table below for the Bonds, the Subordinated Bonds and combined for the Senior and Subordinated Bonds. These amounts are presented in accordance with the Trust Agreement and the Subordinated Trust Agreement.[a]

Senior Bonds

Hillsborough County Aviation Authority
Historical Debt Service Coverage for Senior Bonds
Fiscal Years 2019 through and including 2023
(dollars in thousands)

	2019	2020[2]	2021[3]	2022	2023
Net Revenues Available to Pay Debt Service	$125,890	$118,169	$133,096	$202,260	$233,733
Bond Debt Service	55,194	56,737	54,480	55,518	54,986
Debt Service Coverage[1]	2.28x	2.08x	2.44x	3.64x	4.25x

(1) Required debt service coverage is 1.25x.
(2) Gross Revenues were impacted as a result of the COVID-19 pandemic. Federal funds received pursuant to the CARES Act were used to offset Operating Expenses in the above coverage calculation.
(3) Gross Revenues were impacted as a result of the COVID-19 pandemic. Federal funds received pursuant to the CARES Act and the CRRSA Act were used to offset Operating Expenses in the above coverage calculation.
Source: Hillsborough County Aviation Authority.

Subordinated Bonds

Hillsborough County Aviation Authority
Historical Debt Service Coverage for Subordinated Bonds
Fiscal Year 2019 through and including 2023
(dollars in thousands)

	2019	2020	2021	2022	2023
Pledged Revenues Available to Pay Debt Service[1]	$116,058	$88,588[3]	$106,635[4]	$192,234	$226,653
Bond Debt Service	28,001	28,516	28,512	28,506	30,384
Debt Service Coverage[2]	4.14x	3.11x	3.74x	6.74x	7.46x

(1) Pledged Revenues includes PFCs.
(2) Required debt service coverage is 1.25x.
(3) Gross Revenues were impacted as a result of the COVID-19 pandemic. Federal funds received pursuant to the CARES Act were used to offset Operating Expenses in the above coverage calculation.
(4) Gross Revenues were impacted as a result of the COVID-19 pandemic. Federal funds received pursuant to the CARES Act and the CRRSA Act were used to offset Operating Expenses in the above coverage calculation.
Source: Hillsborough County Aviation Authority.

[a] The Trust Agreement allows the Authority to include in "Revenues" for purposes of the coverage requirement, moneys remaining in the Surplus Fund at the end of the preceding Fiscal Year that are deposited into the Revenue Fund. See APPENDIX C – "RESTATED TRUST AGREEMENT – Revenues and Funds – Funds and Accounts – Surplus Fund." "Revenues" also includes CFC Revenues paid to the Authority for prior RAC projects and Revenue Recovery. CFC Revenues have not been pledged to secure the Bonds, but the Authority has voluntarily elected to deposit certain portions of CFC Revenues into the Airport System Revenue Fund and has indicated the intention to continue this practice in the future; however, it reserves the right to change this policy in the future.

Combined Senior and Subordinated Bonds

Hillsborough County Aviation Authority
Historical Debt Service Coverage for Senior and Subordinated Bonds
Fiscal Year 2019 through and including 2023
(dollars in thousands)

	2019	2020	2021	2022	2023
Available Revenues to Pay Debt Service(1)	$171,251	$145,325(3)	$160,635(4)	$247,752	$281,639
Bond Debt Service	83,195	85,253	82,993	84,025	85,370
Debt Service Coverage(2)	2.06x	1.70x	1.94x	2.95x	3.30x

(1) Available Revenues includes PFCs.
(2) Required debt service coverage is 1.15x pursuant to the trust agreement relating to the Subordinated Bonds.
(3) Gross Revenues were impacted as a result of the COVID-19 pandemic. Federal funds received pursuant to the CARES Act were used to offset Operating Expenses in the above coverage calculation.
(4) Gross Revenues were impacted as a result of the COVID-19 pandemic. Federal funds received pursuant to the CARES Act and the CRRSA Act were used to offset Operating Expenses in the above coverage calculation.

Source: Hillsborough County Aviation Authority.

Future Financings

The Authority anticipates issuing Additional Bonds and Additional Subordinated Bonds in 2026 in the approximate principal amounts of $1.3 billion and $138.1 million, respectively, and Additional Bonds in 2028 and 2030 in the approximate principal amounts of $415.4 million and $479.5 million, respectively, to finance portions of the Airport's CIP projects. The anticipated 2030 Bonds are expected to be issued beyond the Projection Period (as hereinafter defined) included herein and in APPENDIX A attached hereto. Additionally, the Authority continuously evaluates refunding opportunities and, when economically beneficial, may refund one or more Series of its outstanding Bonds.

AIRLINE RATES, FEES AND CHARGES RESOLUTION

On September 3, 2020, the Authority adopted the Tampa International Airport Airline Rates, Fees and Charges Resolution for the Use of Tampa International Airport Tampa, Florida (the "Rates Resolution") which became effective on October 1, 2020. The Rates Resolution transitioned the Airport to a rate setting model which establishes the operational and financial requirements that airlines agree to follow when conducting air transportation business at the Airport. The Rates Resolution is in accordance with the FAA's Policy Regarding the Establishment of Airport Rates and Charges and replaces the previous Airline Agreement which expired on September 30, 2020 (the "Airline Agreement").

The Rates Resolution incorporates the use of the main terminal building, Airsides A, C, E and F, future Airside D, and the airfield at the Airport. The Rates Resolution establishes a hybrid rate making methodology whereby the airlines pay the Authority fees and charges based on the Authority's cost of providing facilities and services, with a credit to the airfield requirement for non-airline airfield revenues. The Rates Resolution further defines the operational and financial relationship between the Authority and the airlines operating at the Airport.

The Rates Resolution establishes Cost and Revenue Centers that are defined as functional activities of the Airport System used for the purposes of accounting for Revenues, O&M Expenditures and Investment Service. The costs allocated to the airlines include O&M Expenditures, debt service, debt service coverage of 25%, Trust Fund minimum deposit requirements, and a Return on Investment for Authority funds used for capital projects, less interest earnings on the debt service reserve. Signatory

Airlines are defined in the Rates Resolution as those that are party to an active Space Rental Agreement. Space Rental Agreements have one year terms. As of April 2024, the Signatory Airlines were American Airlines, Delta Air Lines, Frontier Airlines, JetBlue Airways, Southwest Airlines, Spirit Airlines, United Airlines, British Airways, Copa Airlines, Porter Airlines, Virgin Atlantic, WestJet Airlines, Breeze Airways, Air Canada, Alaska Airlines, Deutsche Lufthansa (Discover) and Silver Airways. In return for this financial commitment by the Signatory Airlines, the Rates Resolution provides for a 10% share of remaining Revenues derived from parking and concessions, after the payment of all costs (including Authority-funded capital projects) which include a minimum $10 million contribution to unrestricted reserves. Non-Signatory Airlines do not provide guarantees of space, and therefore do not participate in the revenue sharing. Therefore, the Authority charges two distinct rates to airlines operating at the Airport based on the cost of providing services for facilities used.

Under the Rates Resolution, airside rates are equalized (meaning all signatories pay the same rate regardless of the cost structure in the individual airsides). Rates for the main terminal building and airside buildings are calculated by using their total respective rentable square feet as the divisor. Common use space rental in the main terminal building is determined by (1) dividing the cost of the common use space by the total number of enplaned passengers to determine the average joint use per passenger fee, (2) a 5% premium is applied to the average joint use per passenger fee and then multiplied by the number of non-signatory enplaned passengers, and (3) the remaining joint-use costs are then billed to each airline based on its proportionate share of enplaned passengers.

Annual airline rates and charges are initially calculated based on the annual budget and reviewed and adjusted, if necessary, throughout each Fiscal Year to ensure sufficient Revenues are generated to satisfy all requirements of the Trust Agreement. At the end of each Fiscal Year, the Authority will recalculate rates and charges based on audited financial data to determine any over/under payment situations that need to be rectified. The Rates Resolution requires that the over/under payments be settled with the airlines at the close of each Fiscal Year.

While there are multiple rate-setting methodologies that would allow the Authority to complete the long-term capital program necessary to meet future demand at the Airport, the Authority is obligated, pursuant to the Trust Agreement, to set airline rates and charges at a level sufficient to pay the net cost of operating, maintaining, and developing the Airport, including the satisfaction of debt service coverage, fund deposit, and payment requirements of the Trust Agreement. See "INVESTMENT CONSIDERATIONS – Possible Future Airline Agreement".

A copy of the Rates Resolution is attached hereto as APPENDIX E – "AIRLINE RATES, FEES AND CHARGES RESOLUTION."

CONCESSION AND OTHER AGREEMENTS

Car Rental Concessions

On-Airport Car Rental. The Authority opened the RCC south of the main terminal building, accessible via the SkyConnect, in February 2018. The Authority has entered into Lease and Concession Contracts (the "On-Airport Concessionaire Agreements") with nine rental car companies (the "Concessionaires") representing 16 brands: Enterprise Leasing Company of Florida, LLC d/b/a/ Enterprise/Alamo/National; The Hertz Corporation d/b/a/ Hertz/Dollar/Thrifty; AvisBudget Car Rental, LLC d/b/a Avis/Budget/Payless/Zipcar; Fox Rent A Car, Inc.; Orlando RentCo, LLC d/b/a Advantage Rent A Car; Sixt Rent A Car, LLC; Sixt Rent A Car LLC #2 d/b/a Sixt Rent A Car; Executive Car Rental, Inc.; Ciscon, LLC d/b/a Ace Rent A Car of Tampa; and All Car Leasing Inc. d/b/a NextCar. The On-Airport Concessionaire Agreements commenced upon the opening of the RCC to the public on February 14, 2018, with the exception of All Car Leasing Inc. which became effective on December 2, 2021. All of the On-Airport Concessionaire Agreements are scheduled to expire on September 3, 2045, unless sooner terminated pursuant to the provisions of the On-Airport Concessionaire Agreements. The Authority has retained the option to renegotiate terms of On-Airport Concessionaire Agreements every 10 years. The Authority received $49,592,054 in revenue from the On-Airport Concessionaire Agreements and $40,884,921 in CFCs and $309,788 in Off-Airport TFCs (as defined below) during Fiscal Year 2023.

Pursuant to the On-Airport Concessionaire Agreements, portions of the RCC are leased to each of the Concessionaires on an exclusive basis ("Exclusive Premises") but other portions and the ground upon which the RCC is located are used in common by all of the Concessionaires (the "Common Concessionaire Areas"). The Exclusive Premises consist of the Customer Service Building; the area comprising a portion of the RCC in which vehicles are parked and/or staged for Airport customer pick-up or return, the areas located within the RCC dedicated to fueling vacuuming, washing and servicing rental vehicles; and that portion of the Exclusive Premises used by Concessionaires for administration facilities, maintenance facilities, vehicle servicing, and supplemental vehicle storage. The Common Concessionaire Areas are those non-public areas of the RCC designed for the non-exclusive use in common by the Concessionaires including, but not limited, roadways, ramps, or other facilities within the RCC. The Common Concessionaires Areas are operated and maintained by the RCC Manager, a third party facility manager selected, with Authority consultation, by the Concessionaires as a group.

Pursuant to the On-Airport Concessionaire Agreements, portions of the RCC are leased to each of the Concessionaires on an exclusive basis ("Exclusive Premises") but other portions and the ground upon which the RCC is located are used in common by all of the Concessionaires (the "Common Concessionaire Areas"). The Exclusive Premises consist of the Customer Service Building; the area comprising a portion of the RCC in which vehicles are parked and/or staged for Airport customer pick-up or return, the areas located within the RCC dedicated to fueling vacuuming, washing and servicing rental vehicles; and that portion of the Exclusive Premises used by Concessionaires for administration facilities, maintenance facilities, vehicle servicing, and supplemental vehicle storage. The Common Concessionaire Areas are those non-public areas of the RCC designed for the non-exclusive use in common by the Concessionaires including, but not limited, roadways, ramps, or other facilities within the RCC. The Common Concessionaires Areas are operated and maintained by the RCC Manager, a third party facility manager selected, with Authority consultation, by the Concessionaires as a group.

Under the On-Airport Concessionaire Agreements, the Concessionaires pay the Authority a privilege fee each Fiscal Year as consideration for the privilege of concession rights at the Airport. The privilege fee, which consists of a minimum annual privilege fee and a percentage fee, is not considered rent, but is included as Revenues for the Bonds. The percentage fee is an amount equal to 10% of its gross receipts but paid only to the extent that such amount exceeds each rental car company's minimum annual privilege fee for that Fiscal Year. If the percentage fee is an amount less than the minimum annual privilege fee, no percentage fee will be payable. In addition to the privilege fee, each Concessionaire pays for the footprint of their service centers and a proportionate share of ground rent for the footprint of the RCC which is $1.23 per square foot for Fiscal Year 2024.

Rental car revenues also include a component of CFCs paid to the Authority for prior rental car capital projects, amortized throughout the Projection Period. Rental car revenues also include a component of CFCs paid to the Authority for Revenue Recovery to offset land rents and counter rental rents lost due to rental car companies moving to the RCC. The CFCs are not included as Revenue for the Bonds unless the Authority voluntarily deposits CFC revenues into the Revenue Fund under the Trust Agreement in a Fiscal Year in accordance with the terms of the indenture under which the standalone CFC Bonds are issued. On-Airport CFCs, along with Off-Airport TFCs and CFC Contingent Fee Payments have been pledged in connection with the Authority's issuance of its Customer Facility Charge Revenue Bonds, Series 2015A

(Non-AMT) (the "2015A CFC Bonds") and its Customer Facility Charge Revenue Bonds, Series 2015B (Taxable) (the "2015B CFC Bonds") on August 19, 2015.

Neither the CFCs nor the TFCs (as defined below) nor the "Contingency Fee Payment" pursuant to the On-Airport Concessionaire Agreements will be included as "Revenues" for the Bonds unless the Authority voluntarily deposits the same into the Revenue Fund under the Trust Agreement in a Fiscal Year in accordance with the terms of the indenture under which the standalone CFC Bonds are issued. See APPENDIX C – "RESTATED TRUST AGREEMENT – Supplemental Trust Agreements – Approved Conceptual Amendments."

Off-Airport Car Rental. On October 1, 2020, the Authority entered into Off-Airport Rental Car Airport Use and Permit Agreements ("Off-Airport Agreements") with rental car companies located off the Airport that pick up customers at the Airport. The Off-Airport Agreements expire on September 30, 2023. The Off-Airport Agreement requires the companies operating thereunder to pay the Authority nine percent of gross receipts on revenue from Airport customers plus a per trip fee for every time a vehicle enters the Airport. A Transportation Facility Charge ("TFC") of $2.00 per transaction day was initiated on April 6, 2014 for all off-airport rental car companies. Currently, there are ten companies providing services to the Airport pursuant to Off-Airport Agreements: 1 Rent A Car Corp., 4 Wheels Rent A Car d/b/a Greenmotion Tampa, CJB Enterprises, Inc. d/b/a Carl's Van Rentals, ER Travel, LLC d/b/a Easirent, Florida Van Rentals, Saver LLC d/b/a Economy Rent A Car, Seven Auto Finance Orlando, LLC d/b/a Seven Auto, Sistemas R&P LLC d/b/a One Switch Rent A Car, USV Tampa, LLC d/b/a U-Save Car and Truck Rental, Via Global Corporation d/b/a Via Car Rental. The Authority received $732,453 in revenues from Off-Airport Agreements and $309,788 in TFCs during Fiscal Year, 2023.

Concessions and Leases

Concession Policy. The awarding of concession privileges on the Airport is governed by the Policy for Awarding Concession and Consumer Service Privileges, Tampa International Airport ("Concession Policy"). The Concession Policy sets forth specific criteria and procedures that must be followed in awarding such privileges to ensure that concession operations generate the maximum revenue commensurate with the highest level of public service. In most instances, concessionaires pay privilege fees based on a percentage of gross receipts against minimum annual privilege fee amounts.

Advertising Concession. The Authority awarded a Lease and Concession Contract for Advertising Services, Landside and Airside Buildings, Tampa International Airport (the "Advertising Agreement") with Lamar Airport Advertising Company in March 2020. The Advertising Agreement commenced April 1, 2020 and has been extended through March 31, 2025. The Authority currently receives 65% of annual gross advertising sales or a minimum annual privilege fee of $1,650,0000, whichever is greater. In addition to Lamar, the Authority has an advertising agreement with SecurityPoint Media, LLC for TSA Bin Advertising. The Authority receives 20% of all gross receipts. Overall, the Authority received $2,075,402 in advertising revenue for Fiscal Year 2023.

Food and Beverage Concessions. Under the ACRP, food and beverage concession locations were divided into six packages that range in size from three to twelve units or businesses located in various areas of the Main Terminal and Airsides for the purposes of evaluation, selection and award. The six packages were awarded by the Board on June 4, 2015 to the following: Host International, Inc. (two packages), SSP America, Inc., TPA Hospitality Partners, LLC (two packages), and HBF Tampa Partners II JV, LLC. The term of each package contract is 10 years from the date the last concession location in each of the awarded packages opened for business, provided the same have been extended for two years each. The Authority received $21,363,524 in revenues from food and beverage concessions in Fiscal Year 2023. See

APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – Financial Analysis – Non-Agreement Revenues – Terminal Complex."

Retail and Duty Free Concessions. Under ACRP, the retail and duty free concession locations were divided into five packages for the purposes of evaluation, selection and award. The five packages were awarded by the Board on June 4, 2015 to the following: Paradies-TPA 2014, LLC, NewsLink of Tampa, LLC, Stellar Partners Tampa, LLC, HG Tampa JV, and WDFG North America LLC. The term of each package contract is 10 years from the date the last concession location in each of the awarded packages opened for business, provide the same have been extended for two years each. The Authority received $11,515,831 in revenues from retail merchandise and duty free concessions in Fiscal Year 2023.

Luggage Cart Rental Services. The Authority entered into a Lease and Concessions Contract for Luggage Cart Rental Services (the "Luggage Cart Agreement") with Smarte Carte Inc. for the right to rent, maintain and relocate luggage carts to customers at the Airport. The Luggage Cart Agreement became effective February 1, 2022 and expires January 31, 2025.

Hotel. The Authority entered into a Lease Agreement for Hotel-Office Complex, Tampa International Airport, (the "Hotel Agreement") with Host of Boston, LTD. for the land underlying the currently branded Marriott hotel for the construction, operation and maintenance of a first class hotel and office complex. The Hotel Agreement became effective April 29, 1969 and is scheduled to terminate December 31, 2043. The lease includes a specified minimum capital improvement cost. The original lease term was 20 years with two 10-year renewal options. An amendment to the lease, extended the termination date to December 31, 2043 and returned approximately 7,425 square feet of space to the Authority between their lobby and the main terminal.

The Hotel Agreement provides that Host pays to the Authority a specified minimum privilege fee of $1,463,770 annually, plus a percentage of gross receipts. The percentage of gross receipts is calculated by formula and is dependent upon the type of services being provided. It is applicable when and if the percentage exceeds the minimum privilege fee. The Authority received $2,494,421 in revenue from the hotel lease for Fiscal Year 2023. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – Financial Analysis – Commercial Landside – Hotel."

Transportation Network Companies ("TNCs"). The Authority entered into contracts with Rasier-DC, LLC (Uber), Lyft, Inc., and Wridz, LLC as part of the approval of a cost-recovery based per-trip fee charge for pickups on-airport. Effective October 1, 2023, the contract term is through September 30, 2025, which is currently at a rate of $5.00 per pickup. The Authority received $6,853,595 in revenue from TNCs in Fiscal Year 2023.

Public Parking. The Authority entered into a Management Contract for Public Parking Facilities, (the "Parking Agreement") with ABM Aviation, Inc. d/b/a ABM Parking Services to operate the parking facilities at the Airport. The Parking Agreement commenced on July 1, 2020 and expires June 30, 2025. The Authority annually reviews and approves the parking facilities operating budget. A daily accounting of the parking facility revenue is required. The Authority received $92,883,857 in parking revenues for Fiscal Year 2023. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – Financial Analysis – Commercial Landside – Parking."

Peer to Peer Agreement. The Authority entered into a Use and Permit Agreement for Peer to Peer Vehicle Sharing with Turo, Inc. on May 5, 2022 for peer to peer vehicle sharing. The contract calls for a percentage (8%) of gross receipts and fines for the usage of short and long-term garages. The Authority received $1,448,316 in revenue from Peer to Peer concessions in Fiscal Year 2023. The contract has been extended through May 4, 2025. The Authority anticipates entering into a new agreement with Turo, Inc. in the future on substantially similar terms.

Distributed Antenna System. The Authority entered into a contract with Crown Castle Fiber LLC effective on June 6, 2019 with an expiration of November 5, 2030 for a license agreement for the operation of a Distributed Antenna System to provide 5G wireless capability throughout the campus. Crown Castle pays the Authority a minimum annual privilege fee of $465,000 as well as a percentage fee of 35% if gross receipts exceed the minimum.

SkyCenter One. SkyCenter One benefits from being in the desirable Westshore submarket of Tampa. Asking rates at the property are $36.00 per square foot ($49 per square foot for full service) with an occupancy of 98.4%. Rental revenue from SkyCenter One in Fiscal Year 2023 was approximately $3.2 million.

CAE USA. CAE USA ("CAE"), a defense contractor, leases approximately 19.33 acres of Authority property in the Drew Park area under a Ground Lease Agreement (the "CAE Agreement") for construction, operation and maintenance of offices, storage, flight training-simulators, training devices and related ancillary uses. The CAE Agreement was signed December 6, 2018 and expires on the twentieth anniversary of the Rent Commencement Date (9/27/2021), with three ten-year renewal options upon 180 days written notice from CAE.

Fixed Base Operations

Two general aviation fixed base operator ("FBO") facilities are at the Airport. The first facility, which opened in 1980, is owned by the Authority and is currently managed by Signature Flight Support LLC. The operation provides an avionics shop, maintenance shops, aircraft line service, tie down and storage, aircraft charter, sales center for Signature Flight Support and related aviation services. The facilities consist of over 180,000 square feet of hangar and office space. Signature intends to develop a new 30,000 square foot hangar. The Authority retains title to all permanent improvements of the hangar building, and the lease with Signature Flight Support LLC is set to expire in 2046.

The second FBO is Sheltair Aviation, which has been operational since October 2004. Sheltair Aviation's facilities include a 12,000-square foot terminal building, three storage hangars that are 26,000 square feet each, an additional fourth storage hangar with 32,000 square feet of space, and a maintenance hangar with 26,000 square feet of space, as well as other facilities necessary to provide a full service FBO serving primarily corporate aviation. In 2022, Sheltair Aviation assumed the lease on a prior tenant's 12,000 square foot hangar and developed a four-bay hangar of approximately 95,000 square feet. Sheltair Aviation provides generally the same range of services as the Signature Flight Support FBO. The Authority participated in the FBO's development by constructing 350,000 square feet of apron and a 61,500 square foot parking lot with Authority funds. Sheltair Aviation's lease is set to expire on September 29, 2049.

A standalone CBP facility located east of the Airport serves the needs of general aviation international passengers. The facility is capable of handling up to 30 passengers per hour and their baggage while meeting the requirements of the CBP.

Major Contributors to Operating Revenues

Airline payments in the form of landing fees, facility rentals and other charges, net of revenue sharing, contributed approximately 29.5% of operating revenues of the Authority for Fiscal Year 2023, compared to approximately 31.1% for Fiscal Year 2022. Parking revenues provided approximately 24.4% of the operating revenues of the Authority for Fiscal Year 2023, compared to approximately 24.4% for

Fiscal Year ended 2022. Car rental concession revenues contributed approximately 13.2% of the operating revenues of the Authority for Fiscal Year 2023, compared to approximately 16.6% for Fiscal Year ended 2022.

REPORT OF THE AIRPORT CONSULTANT

In connection with the issuance of the 2024B Bonds, the Authority retained Ricondo & Associates, Inc., Cincinnati, Ohio (the "Airport Consultant") to prepare the Report of the Airport Consultant, August 1, 2024, attached hereto as APPENDIX A (as previously defined, the "Consultant Report"), which describes the economic basis for air traffic at the Airport, historical trends in airline traffic, and key factors that may affect future airline traffic. The Consultant Report also presents air traffic and financial projections for Fiscal Years 2024 through 2030 (the "Projection Period") and sets forth certain assumptions upon which the forecasts are based. These assumptions were provided by, or reviewed and adopted by the Authority at the time the Consultant Report was issued. The financial analysis in the Consultant Report incorporates the funding of the Airport's Capital Program. See "AIRPORT CAPITAL PROGRAM." The Consultant Report has been included in this Official Statement in reliance upon the reputation of the Airport Consultant as an expert in preparing forecasts and projections with respect to airports.

On the basis of the Airport Consultant's assumptions and the analysis put forth in the Consultant Report, the Airport Consultant is of the opinion that the Gross Revenues less Operating Expenses ("Net Revenues") generated by the Airport System in each year of the Projection Period will be sufficient to comply with the Rate Covenant established in the Trust Agreement. The Airport Consultant is also of the opinion that the Airport's airline rates and charges will remain comparable on an airline cost per enplaned passenger basis ("CPE") to other large-hub U.S. airports through the Projection Period.

Projected Debt Service Coverage

The following table presents the Authority's projected debt service coverage for its Outstanding Bonds, Outstanding Subordinated Bonds and the 2024B Bonds following the issuance of the 2024B Bonds, and future bonds for the six year Projection Period utilized in the Consultant Report. See "BONDS DEBT SERVICE REQUIREMENTS" for the actual debt service on the 2024B Bonds (included in the Outstanding Bonds Debt Service Requirements column). See "CERTAIN INVESTMENT CONSIDERATIONS".

Debt service coverage is projected by the Airport Consultant to be greater than the required 1.25x in each of the years of the Projection Period for the Bonds. As shown in the Consultant Report, the debt service coverage ratio for the Bonds is projected to range from 1.78x to 3.37x during the Projection Period. Debt service coverage is projected by the Airport Consultant to be greater than the required 1.25x in each of the years in the Projection Period for the Subordinated Bonds. As shown in the Consultant Report, the debt service coverage ratio for the Subordinated Bonds is projected to range from 5.38x to 6.80x during the Projection Period. Aggregate debt service coverage on all Bonds and Subordinated Bonds is projected by the Airport Consultant to be greater than the required 1.15x in each of the years of the Projection Period. As shown in the Consultant Report, the aggregate debt service coverage ratio on all Bonds and Subordinated Bonds is projected to range from 1.74x to 2.83x. The debt service coverage also includes the issuance of Additional Bonds in 2026 and 2028 and Additional Subordinated Bonds in 2026 in the approximate principal amounts of $1.3 billion, $138.1 million and $315.4 million, respectively, to fund portions of the Airport's Capital Program. For more information regarding debt service coverage and the anticipated issuance of Additional Bonds beyond the Projection Period included herein and in the Consultant Report, see "FINANCIAL FACTORS – Future Financings" herein and "APPENDIX A – REPORT OF THE AIRPORT CONSULTANT – Financial Analysis" attached hereto.

Calculation of Net Revenue and Debt Service Coverage[1]

	Actual FY 2023[1]	Budget FY 2024[9]	Projected FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Coverage Calculation								
Total Revenue[2]	$383,400,422	$410,769,103	$464,449,468	$485,373,180	$507,060,337	$587,162,885	$623,119,367	$665,029,349
Less: ASIP fee waivers	(5,760,620)	(4,765,395)	(3,957,284)	(4,044,344)	(4,133,320)	(4,224,253)	(4,317,186)	(4,412,164)
Revenues Pledged under the Trust Agreement	**$377,639,802**	**$406,003,708**	**$460,492,184**	**$481,328,836**	**$502,927,017**	**$582,938,632**	**$618,802,181**	**$660,617,185**
Less: O&M Expenditures[3]	(174,838,006)	(193,745,028)	(207,816,318)	(219,246,215)	(231,304,757)	(261,375,474)	(275,751,125)	(290,917,436)
Less: O&M Reserve Requirement	(2,736,554)	(2,746,851)	(2,363,281)	(1,901,374)	(2,005,950)	(5,007,770)	(2,391,704)	(2,523,248)
Less: ASIP marketing expenditures	(2,008,029)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Plus: Relief Funding O&M Expenditure Reduction	33,085,667	0	0	0	0	0	0	0
Plus: equipment expenditures	2,469,676	2,000,400	2,056,492	2,169,599	2,288,927	2,414,818	2,547,633	2,687,753
Net Revenue before Transfer	$233,612,557	$210,512,229	$251,369,077	$261,350,845	$270,905,237	$317,970,206	$342,206,985	$368,864,254
Total Senior Lien Bond Debt Service[4]	$54,985,769	$62,465,001	$97,866,770	$111,558,933	$117,953,384	$158,007,430	$183,903,613	$207,428,271
Senior Lien Debt Service Coverage (1.25x)	**4.25**	**3.37**	**2.57**	**2.34**	**2.30**	**2.01**	**1.86**	**1.78**
Net Revenue Available after Senior Lien Debt Service ("Subordinated Revenues")	$178,626,788	$148,047,229	$153,502,307	$149,791,912	$152,951,854	$159,962,776	$158,303,372	$161,435,983
Plus: PFC Revenue available for Subordinated Lien Debt Service and Coverage[5]	45,169,170	49,243,944	50,776,947	51,854,442	52,939,247	54,031,898	55,134,334	56,247,546
Plus: O&M Reserve Requirement	2,736,554	2,746,851	2,363,281	1,901,374	2,005,950	5,007,770	2,391,704	2,523,248
Net Revenue Available for Subordinated Lien Debt Service ("Pledged Revenues")	$226,532,512	$200,038,023	$206,642,535	$203,547,728	$207,897,050	$219,002,444	$215,829,411	$220,206,777
Total Subordinated Lien Debt Service[4]	$30,384,397	$30,389,217	$30,391,303	$30,389,549	$38,673,318	$38,669,163	$38,675,542	$38,666,849
Subordinated Lien Debt Service Coverage (1.25x)[6]	**7.46**	**6.58**	**6.80**	**6.70**	**5.38**	**5.66**	**5.58**	**5.69**
Revenues Pledged under the Trust Agreement	$377,639,802	$406,003,708	$460,492,184	$481,328,836	$502,927,017	$582,938,632	$618,802,181	$660,617,185
Plus: PFC Revenue available for Subordinated Lien Debt Service and Coverage[5]	45,169,170	49,243,944	50,776,947	51,854,442	52,939,247	54,031,898	55,134,334	56,247,546
Less: Trust agreement O&M fund	(139,282,663)	(191,744,628)	(205,759,826)	(217,076,616)	(229,015,830)	(258,960,656)	(273,203,492)	(288,229,684)
Less ASIP marketing expenditures	(2,008,029)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Net Revenue Available for Aggregate Debt Service ("Available Revenues")[7]	$281,518,281	$262,503,024	$304,509,305	$315,106,661	$325,850,434	$377,009,874	$399,733,024	$427,635,048
Total Aggregate Debt Service[8]	$85,370,165	$92,854,217	$128,258,072	$141,948,482	$156,626,702	$196,676,594	$222,579,155	$246,095,120
Aggregate Debt Service Coverage (1.15x)[6]	**3.30**	**2.83**	**2.37**	**2.22**	**2.08**	**1.92**	**1.80**	**1.74**

(1) Debt service coverage calculations do not reflect any future defeasance of debt. Calculations also do not include the application of approximately $66 million in remaining funding from the IIJA.
(2) Excludes CFC Revenues paid to the Authority which have not been pledged to secure the Bonds or the Subordinated Bonds.
(3) Operating Expenditures includes capitalized equipment expenditures.
(4) Includes debt service on future bonds. For actual debt service on the 2024B Bonds, see "DEBT SERVICE REQUIREMENTS" herein.
(5) Represents Total Available PFC Revenue after Senior Lien Debt Service. PFC Revenues are projected based on the Authority's existing PFC approvals.
(6) The Subordinated Trust Agreement requires three tests to be met for the issuance of Additional Bonds. Two of the tests are shown above: the Subordinated Lien and Aggregate Debt Service Coverage tests. The third, which involves non-PFC Subordinated Lien debt service, is not applicable given that no non-PFC Subordinated debt is outstanding.
(7) Represents Net Revenue before Transfer plus all available PFC.
(8) Represents Senior Lien and Subordinated Lien Debt Service. For actual debt service on the 2024B Bonds, see "DEBT SERVICE REQUIREMENTS" herein.
(9) Fiscal Year 2024 is included within the Projection Period based on the Authority's budgeted figures.

Sources: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., August 1, 2024.

Airline Cost Per Enplanement[(1)]

	Actual	Budget	Projected					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<u>Airline Cost per Enplanement</u>								
Airline Landing Fees (excluding Cargo)	$28,300,673	$31,397,459	$36,216,144	$38,581,718	$42,517,132	$45,616,628	$49,315,140	$76,572,806
Terminal Building Rental Revenues, Airline Support, and BHS Fees	$46,674,621	$51,145,925	$60,216,535	$64,830,328	$67,685,629	$93,770,799	$106,913,988	$107,957,981
Airside Building PTS Revenues[(2)]	$45,078,290	$54,206,637	$65,436,796	$71,548,871	$78,112,958	$111,051,166	$122,365,892	$126,304,973
FIS Fees	$2,468,940	$2,519,727	$3,305,735	$3,378,461	$3,452,787	$5,293,123	$5,409,572	$5,528,582
Total Passenger Airline Revenue	**$122,522,524**	**$139,269,747**	**$165,175,210**	**$178,339,379**	**$191,768,506**	**$255,731,716**	**$284,004,592**	**$316,364,341**
Less: Revenue Sharing	$4,558,657	$3,998,278	$5,117,281	$3,799,599	$3,798,280	$3,695,143	$3,423,037	$3,333,617
Less: ASIP program fee waivers[(3)]	$5,760,620	$4,765,395	$3,957,284	$4,044,344	$4,133,320	$4,224,253	$4,317,186	$4,412,164
Net Airline Revenues	$112,203,246	$130,506,074	$156,100,645	$170,495,435	$183,836,905	$247,812,321	$276,264,369	$308,610,481
Total Enplanements	11,560,792	12,603,707	12,996,070	13,271,849	13,549,499	13,829,157	14,111,319	14,396,239
Airline Cost per Enplanement	**$9.71**	**$10.35**	**$12.01**	**$12.85**	**$13.57**	**$17.92**	**$19.58**	**$21.44**

(1) Airline cost per enplanement calculations do not reflect any future defeasance of debt. Calculations also do not include the application of approximately $66 million in remaining funding from the IIJA.
(2) Includes per use fees and hardstand parking.
(3) The Air Service Incentive Program ("ASIP") provides fee waivers for qualifying new service.

Sources: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., August 1, 2024.

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PASSENGER FACILITY CHARGES AND FEDERAL AND STATE GRANTS

Passenger Facility Charges

Pursuant to the PFC Act and the PFC Regulations implemented by the FAA, the United States Congress has authorized commercial service airports such as the Airport to collect Passenger Facility Charges from each paying passenger enplaned at such airport in an amount up to $4.50, subject to certain limitations. The Authority has levied PFCs at the rate of $4.50 per enplaned passenger since June 1, 2002. The proceeds from PFCs are to be used to finance approved eligible airport-related projects that preserve or enhance capacity, safety or security of the national air transportation system, reduce noise from an airport that is part of the system or provide an opportunity for enhanced competition between or among air carriers or foreign air carriers. "Eligible airport-related projects" include airport development or planning, terminal development, airport noise compatibility measures and planning and construction of gates and related areas (other than restaurants, rental car facilities, automobile parking or other concessions) for the movement of passengers and baggage. PFCs are collected on behalf of airports by air carriers, certain foreign air carriers and their agents ("Collecting Carriers").

The Collecting Carriers are authorized to withhold, as a collection fee (i) eleven cents per enplaning passenger from whom a PFC is collected and (ii) any investment income earned on the amount collected prior to the due date of the remittance. The PFC Act was amended in 1996 to provide that PFC Revenues that are held by a Collecting Carrier constitute a trust fund that is held for the beneficial interest of the eligible agency imposing the fee and that the Collecting Carrier holds neither legal nor equitable interest in the PFC Revenues, except for any handling fee or retention of interest collected on unremitted proceeds. In addition, PFC Regulations require Collecting Carriers to account for PFC collections separately and to disclose the existence and amount of funds regarded as trust funds in financial statements. The Collecting Carriers, however, are permitted to commingle PFC collections with the carriers' other sources of revenue.

On December 12, 2003, the Vision 100 – Century of Aviation Reauthorization Act ("Vision 100") was signed into law. Vision 100 requires an airline that files for bankruptcy protection, or that has an involuntary bankruptcy proceeding commenced against it, to segregate passenger facility charge revenue in a separate account for the benefit of the eligible agencies entitled to such revenue. Based on this legislation, it is expected that the Authority would be treated as a secured creditor with respect to PFCs held by a collecting creditor that becomes involved in a bankruptcy proceeding. For information regarding PFC revenues in cases of airline bankruptcy, see "CERTAIN INVESTMENT CONSIDERATIONS – Factors Affecting the Airline Industry."

PFC applications are approved by the FAA to fund specific projects in specific total amounts and the Authority may impose the designated PFC only until it collects the authorized total amount. Interest earnings on the collections are treated as collections for purposes of the authorized total.

The Authority has submitted and received approval from the FAA to impose and use PFC revenues for capital projects, including financing costs, totaling approximately $1.7 billion, in 12 separate PFC applications. The Authority's most recent PFC application, PFC Application 12, Program was approved by the FAA on April 5, 2024, and approved for new PFC impose and use authority of approximately $388.4 million. As of September 30, 2023, the Authority has received $924,328,600 in PFCs from the Collecting Carriers and interest earnings of $9,142,994 totaling PFC Revenues of $933,471,594 since PFC implementation by the Authority through September 30, 2023 and the Authority has incurred expenditures for projects approved in the PFC applications totaling approximately $592,725,234. The current PFC collection level is $4.50 and the PFC Charge Expiration Date for PFC collections is currently estimated to be October 1, 2037, based on estimates of future enplaned passengers. PFCs are available only to fund PFC approved projects on a pay-go basis or to pay debt service on PFC Bonds described in the Trust Agreement and the Subordinated Trust Agreement. There are currently no senior PFC bonds outstanding. See "SECURITY FOR THE 2024B BONDS." See also "APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – Passenger Facility Charge Revenue."

PFCs receipts from Collecting Carriers from October 1, 2018 through and including September 30, 2023 were as follows:

Fiscal Years Ended September 30	
2019	$43,069,713
2020*	28,422,756
2021*	29,504,778
2022	42,079,200
2023	44,438,513

* Results impacted by COVID-19.

Federal Grants

Airport Improvement Program. The Airport and Airway Improvement Act of 1982 created the Airport Improvement Program ("AIP"), which is administered by the FAA and funded by the Airport and Airway Trust Fund. This fund is financed by federal aviation user taxes. Grants are available to airport operators in the form of "entitlement" funds and "discretionary" funds. Entitlement funds are apportioned annually based upon enplaned passengers and discretionary funds are available at the discretion of the FAA based upon a national priority system. Actual entitlement funds will vary with the actual number of passenger enplanements, with total appropriations for the AIP and with any revision of the existing statutory formula for calculating such funds. In addition, pursuant to the Federal Act, an airport's annual federal entitlement grants are reduced by 50% following the imposition of PFCs at the $1.00, $2.00 or $3.00 level and reduced by 75% following the imposition of PFCs at the $4.00 or $4.50 level. From October 1, 2018 through September 30, 2023, the Authority received $38,673,608 in total AIP entitlement and discretionary grants as follows:

Fiscal Years Ended September 30	
2019	$5,809,131
2020	6,759,269
2021	4,636,517
2022	12,509,489
2023	8,959,202

Such grants were used at the Airport primarily for safety equipment, terminal, taxiway, apron and runway improvements. The Capital Program assumes a total of approximately $10,099,032 of projects will be funded with FAA AIP grants, including approximately $2,450,000 of the 2024 Projects, during the Projection Period.

Infrastructure Investment and Jobs Act of 2021. The Infrastructure Investment and Jobs Act of 2021 ("IIJA") was signed into law by President Biden on November 15, 2021, and included approximately $20 billion for airport funding over a five-year period. In total, it is estimated that the Authority will receive approximately $112.7 million in IIJA funding over the course of the IIJA program, which is funded through 2026. Approximately $86.7 million of these funds are expected to be applied to the Airside D project, with additional funding assumed for projects at the Airport. See APPENDIX A – "REPORT OF THE AIRPORT

CONSULTANT" for more information. Notwithstanding the foregoing, these anticipated IIJA amounts are uncertain and subject to change as more information becomes available. See "CERTAIN INVESTMENT CONSIDERATIONS - Regulations and Restrictions Affecting the Airport."

State Grants

FDOT administers a grant program funded by a state-imposed aviation fuel tax. Eligible projects under the program may be funded by up to 50% of the sponsors' cost of the projects at Tampa International. General aviation facilities, including hangars, may be funded up to 80% of the sponsor's cost. Such projects include all projects eligible under AIP. From October 1, 2018 through and including September 30, 2023, the Authority received $120,226,827 in FDOT grants as follows:

Fiscal Years Ended September 30	
2019	$14,664,219
2020	29,756,243
2021	21,955,353
2022	26,336,270
2023	27,514,742

Such grants were used primarily for, general aviation facilities, roadways, parking facilities, safety equipment, terminal, taxiway, and apron and runway improvements. A total of approximately $45,779,771 of the Capital Program is expected to be funded from FDOT grants, including approximately $7,649,032 of the 2024 Projects, during the Projection Period. The scheduled funding for the grant is as follows:

Fiscal Years Ended September 30	
2024	$7,649,032
2025	4,958,650
2026	13,492,027
2027	9,105,092
2028	10,574,970

Future annual funding is subject to annual appropriation by the State (Legislature and Governor).

CERTAIN INVESTMENT CONSIDERATIONS

The following section describes certain risk factors affecting the payment of and security for all Bonds Outstanding under the Trust Agreement, including the 2024B Bonds. The following discussion is not meant to be an exhaustive list of the risks associated with the purchase of the 2024B Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider the following specific factors along with all other information described elsewhere or incorporated by reference in this Official Statement in evaluating the 2024B Bonds.

Factors Affecting the Airline Industry

General. Key factors that affect airline traffic at the Airport and the financial condition of the airlines, and, therefore, the amount of Revenues available for payment of the Bonds, include: local, regional, national and international economic and political conditions; environmental factors; international hostilities; world health concerns and infectious diseases; natural disasters; aviation security concerns; airline service and routes; airline airfares and competition; airline industry economics, including labor relations and costs; airline bankruptcies; availability and price of aviation fuel (including the ability of airlines to hedge fuel costs); regional, national and international environmental regulations; airline consolidation and mergers; capacity of the national air traffic control and airport systems; capacity of the Airport; and business travel substitutes, including teleconferencing, videoconferencing and web-casting. If aviation and enplaned passenger traffic at the Airport do not meet forecast levels, a corresponding reduction could occur in forecasted Revenues.

The airline industry is highly cyclical and is characterized by intense competition, high operating and capital costs and varying demand. Passenger and cargo volumes are highly sensitive to general and localized economic trends, and passenger traffic varies substantially with seasonal travel patterns. The profitability of the airline industry can fluctuate dramatically from quarter to quarter and from year to year, even in the absence of catastrophic events such as the terrorist attacks of September 11, 2001, the economic recession that occurred in 2008 and 2009, and the COVID-19 pandemic. Business decisions by airlines, such as the reduction or elimination of service to unprofitable markets, increasing the use of smaller, regional jets, airline mergers or consolidations and changing hubbing strategies have also affected air traffic at the Airport and could have a more pronounced effect in the future.

Following are just a few of the factors affecting the airline industry including, regional, national and global economic conditions, costs of aviation fuel, international conflicts and threats of terrorism, aviation security concerns and structural changes in the travel market. See also "Aviation Security Concerns" below for additional information on the costs of security.

Economic and Political Conditions. Historically, the financial performance of the air transportation industry has correlated with the state of the national and global economies. Past recessions in the U.S. economy have negatively impacted airline travel demand. With the globalization of business and the increased importance of international trade and tourism, the national economy has become more closely tied to worldwide economic, political, and social conditions. As a result, international economics, trade balances, currency exchange rates, political relationships, and hostilities all influence passenger traffic at major United States airports. Concerns about hostilities and other perceived security and public health risks also affect travel demand to particular international destinations. Sustained future increases in passenger traffic at the Airport will depend on stable international conditions as well as national and global economic growth. Traffic at the Airport is also sensitive to growth in the population and fluctuations in the local economy of the area served by the Airport.

For more information concerning the local and national economy, see APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – Demographic and Economic Analysis."

Availability and Cost of Aviation Fuel. Airline earnings are significantly affected by changes in the price of aviation fuel. According to Airlines for America (an airline trade association, formally known as Air Transportation of America), fuel, along with labor costs, is one of the largest cost components of airline operations, and continues to be an important and uncertain determinant of an air carrier's operating economics. There has been no shortage of aviation fuel since the "fuel crisis" of 1974, but any increase in fuel prices causes an increase in airline operating costs. Fuel prices continue to be susceptible to, among other factors, political unrest in various parts of the world (particularly in the oil-producing nations in the Middle East and North Africa), Organization of Petroleum Exporting Countries policy, the rapid growth of economies such as China and India, the levels of inventory carried by industries, the amounts of reserves maintained by governments, disruptions to production and refining facilities and weather. Future significant and prolonged increases in the cost of aviation fuel would likely have an adverse impact on the profitability of the air transportation industry and hamper the recovery plans and cost-cutting efforts of certain airlines. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT" for more information.

Airline industry analysts hold differing views on how oil and aviation fuel prices may change in the near term, although, absent unforeseen disruptions, prices are expected to remain relatively low for some time. However, there is widespread agreement that fuel prices are likely to increase over the long term as global energy demand increases in the face of finite oil supplies that are becoming more expensive to extract. Aviation fuel prices will continue to affect airfares, passenger numbers, airline profitability, and the ability of airlines to provide service. Airline operating economics will also be affected as regulatory costs are imposed on the airline industry as part of efforts to reduce aircraft emissions contributing to global climate change.

The price of aviation fuel is a critical and uncertain factor affecting airline operating economics. The price of oil and the associated cost of jet fuel is the largest single cost affecting the airline industry. Since 2016, jet fuel prices generally increased until the COVID-19 pandemic when jet fuel consumption decreased. Recently, jet fuel prices have increased beyond pre-COVID-19 levels. Fuel costs are expected to remain volatile and may affect future increases in passenger traffic, which depend on stable international conditions as well as national and global economic growth. Any resumption of financial losses could force airlines to further retrench, merge, consolidate, seek bankruptcy protection, discontinue marginal operations, or liquidate. The restructuring, merging, or liquidation of one or more of the large network airlines could drastically affect air service at many connecting hub airports, offer business opportunities for the remaining airlines, and change air travel patterns throughout the U.S. and the world aviation system.

Although fuel cost is of major importance to the airline industry, future prices and availability are uncertain and fluctuate based on numerous factors. These can include supply-and-demand expectations, geopolitical events, fuel inventory levels, monetary policies, regulatory efforts to reduce aircraft emissions and economic growth estimates. Historically, certain airlines have also employed fuel hedging as a practice to provide some protection against future fuel price increases. While fuel hedging has generally not been used by airlines in recent years, it remains as a potential option to mitigate fuel cost risk.

Labor Shortages and Staffing Challenges. Labor shortages and staffing challenges recently have been impacting, and may continue to impact, the airline industry and the Airport. Several major airlines have announced reduced schedules and cancelling flights as a result of reported labor shortages and staffing challenges. Labor shortages have been attributed to growing travel demand after thousands of workers in the airline industry opted for buyouts or otherwise terminated their employment during the COVID-19 pandemic. In addition to the impact of labor shortages and staffing challenges on the airlines, the Airport and its concessionaires also may have their operations and finances impacted adversely by labor shortages and staffing challenges.

Aviation Security Concerns. Concerns about the safety of airline travel and the effectiveness of security precautions, particularly in the context of international hostilities, terrorist attacks, increased threat levels declared by the Department of Homeland Security ("DHS") and world health concerns may influence passenger travel behavior and air travel demand. Travel behavior may be affected by anxieties about the safety of flying and by the inconveniences and delays associated with more stringent security screening procedures, both of which may give rise to the avoidance of air travel generally and the switching from air to surface travel modes.

In 2019, the FAA grounded all Boeing 737 MAX aircraft following two deadly crashes. The FAA concluded that similarities between the two crashes warranted further investigation of the possibility of a shared cause. Owners and operators of covered Boeing 737 MAX aircraft were required to complete certain corrective actions necessary to address the unsafe condition before further flight operations. On November 18, 2020, the FAA cleared Boeing's 737 MAX aircraft to fly passengers after such grounding.

In early January 2024, the FAA ordered the temporary grounding of Boeing 737-9 MAX aircraft operated by U.S. airlines or in U.S. territory following an incident on Alaska Airlines during which a plug door malfunctioned. On January 24, 2024, the FAA approved an inspection and maintenance process that each Boeing 737-9 MAX aircraft must undergo before being eligible to return to service. In March 2024, the FAA halted production expansion of the Boeing 737 MAX and continued its increased onsite presence at Boeing's facility and Spirit AeroSystems' facility. Future safety issues (or the perception thereof) with respect to aircraft which serve the Airport could result in reduced passenger traffic.

In July 2024, Boeing agreed to plead guilty to a felony charge of conspiring to defraud the federal government over two fatal crashes of the 737 Max in 2018 and 2019. As a result, Boeing will be put on probation for three years and the Justice Department will appoint an independent compliance monitor who will make sure that safety measures are in place and followed and will submit annual reports to the government.

Boeing has had a production slowdown as a result of the issues described above. At this time, it is uncertain what the long-term impact will be for airlines and airports. Southwest and United Airlines are the carriers most exposed to Boeing's production issues. For the six-month period ending March 31, 2024, Southwest and United Airlines accounted for 31.2% and 10.0%, respectively, of enplanements at the Airport. Southwest announced that as of August 4, 2024, it will cease flying to the following airports, a direct result of the Boeing production issues: George Bush International Airport, Bellingham International Airport, Syracuse Hancock International Airport and Cozumel International Airport. Southwest has also stated it plans to restructure other markets it flies to, including reducing capacity to O'Hare International Airport and Hartsfield-Jackson International.

On April 8, 2024, Spirit Airlines announced an agreement to defer deliveries of Airbus SE aircraft scheduled from the second quarter of 2025 through 2026 to 2030 through 2031. Defects in Pratt & Whitney geared turbine engines also forced Spirit Airlines and JetBlue Airways to ground some of their A320neo aircraft as a result of mandatory inspections.

Additionally, Spirit Airlines will furlough approximately 260 pilots beginning on September 1, 2024. For the Fiscal Year 2023, Spirit Airlines accounted for 6.8% of enplaned passengers at the Airport. At this time, the Authority cannot predict what impacts, if any, the above will have on operations at the Airport, however, the Authority does not expect there to be an impact on its ability to pay debt service on the 2024B Bonds.

Aviation industry supply chain issues are also impacting the airline industry, including, but not limited to, engines, airframes and other parts. At this time, it is uncertain when such supply chain issues will resolve.

Structural Changes in the Travel Market. Many factors have combined to alter consumer travel patterns. The threat of terrorism against the United States remains high. As a result, the federal government has mandated various security measures that have resulted in new security taxes and fees and longer passenger processing and wait times at airports. Both add to the costs of air travel and make air travel less attractive to consumers relative to ground transportation, especially to short-haul destinations. Additionally, consumers have become more price-sensitive. Efforts of airlines to stimulate traffic by heavily discounting fares have changed consumer expectations regarding airfare. In addition, the availability of fully transparent price information on the Internet now allows quick and easy comparison shopping, which has changed consumer purchasing habits. In addition, smaller corporate travel budgets, combined with the higher time costs of travel, have made business customers more amenable to communications substitutes such as tele- and video-conferencing.

Reliance on Technology. Airport operations and the Authority rely on technological solutions to create an efficient, effective and safe environment for air and cargo movement. However, increased reliance on digital solutions also increases the Authority's exposure to cybersecurity threats or other adverse cyber or software-related incidents that could disrupt operations, not only at the Airport, but also throughout the entire air transport industry. See "—Cybersecurity" below for more information.

Technological Innovations in Ground Transportation. One significant category of non-airline revenues is from ground transportation activity, which the Airport includes in its commercial landside classification of operating revenues. This includes use of Airport parking garages, car rentals, ground transportation fees paid by taxis, limousines and TNCs, and hotel concession revenues. New technologies (such as autonomous vehicles and connected vehicles) and innovative business strategies in established markets such as commercial ground transportation and car rental may continue to occur and may result in changes in Airport passengers' choice of ground transportation mode. The Authority cannot predict with certainty what impact these innovations in ground transportation will have over time on revenues from parking, other grand transpiration services or rental cars. The Authority also cannot predict with certainty whether or to what extent it will collect non-airline revenues in connection with such new technologies or innovative business strategies.

COVID-19 Pandemic and Other Public Health Concerns

General

The outbreak of the highly contagious COVID-19 pandemic in the United States in March 2020 had generally had a negative financial impact on local, state and national economies around the globe, including initially significantly increased unemployment in certain sectors including especially travel, hospitality and restaurants. COVID-19 is a respiratory virus which was first reported in China and thereafter spread around the world, including the United States. This led to quarantine, remote work and other "social distancing" measures throughout the United States which resulted in a period of less travel resulting in declines in certain revenue sources and increases in expenditures, in certain instances. While many of the effects of COVID-19 were temporary, it has altered the behavior of businesses and people in a manner resulting in negative impacts on global and local economies, including supply chain issues and rising inflation. There can be no guarantee that COVID-19 or another outbreak of a highly contagious disease will not have negative impacts on the Authority and the Airport in the future.

Federal Response to COVID-19 Impact to Aviation Industry and the Airport

As a direct result of COVID-19, several bills were adopted by the U.S. Congress that provided, or continue to provide, financial aid to airports around the country, the airlines and other concessionaries. The Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), the Coronavirus Response and Relief Supplemental Appropriations Act (the "CRRSA Act") and the American Rescue Plan Act ("ARPA" and together with the CARES Act and the CRRSA Act, the "COVID Relief Grants") each provide direct aid to airports. The Authority received $174.5 million for the Airport in federal relief pursuant to the COVID Relief Grants and drew on remaining amounts in the Fiscal Year 2023.

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COVID-19 Relief Grants*
(in millions)

COVID-19 Relief Grants	Use of Funds	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total
CARES Act Relief Funds	O&M Offset	$60,592	$20,606	$0	$0	$81,198
CRRSA Act Relief Funds	O&M Offset	$0	$18,210	$59	$1,813	$20,082
ARPA Relief Funds	O&M Offset	$0	$0	$40,150	$33,085	$73,235
Total (thousands)		**$60,592**	**$38,816**	**$40,209**	**$34,898**	**$174,515**

* For Fiscal Years ended September 30.
Source: Hillsborough County Aviation Authority.

COVID-19 Financial and Operational Impacts at the Airport

The Airport, similar to most other airports across the country, experienced steep declines in passenger volumes as a result of the COVID-19 pandemic. Total enplaned passengers decreased by approximately 39.7% between 2019 and 2020 and increased by approximately 15.5% between 2020 and 2021. By 2023, total enplaned passengers increased 4.3% over 2019. See "THE AIRPORT SYSTEM – Enplanements and Aircraft Operations" herein for more information.

Possible Future Airline Agreement

As noted herein, on October 1, 2020, the Authority transitioned to a rates by resolution rate setting model pursuant to the Rates Resolution after expiration of the previous Airline Agreement which expired on September 30, 2020. The Rates Resolution is in accordance with the FAA's Policy Regarding the Establishment of Airport Rates and Charges. The financial projections included in the Consultant Report attached hereto as APPENDIX A, and included herein, have assumed the continuation of the rate-setting methodology set forth in the Rates Resolution for the entirety of the Projection Period. The Consultant Report also assumes that the current airlines will continue to be signatory under the Rates Resolution and will remain signatory though the duration of the Projection Period. Although the Authority currently anticipates the Rate Resolution will remain in place throughout the Project Period, there are no guarantees that the Authority will not adopt and enter into a new airline use agreement in the future. Any future changes in the rate setting model used by the Authority could materially impact both the Authority's Revenues and operations.

Airline Bankruptcies and Assumption or Rejection of Space Rental Agreement or Other Executory Contract

Airlines using the Airport may file for protection under U.S. or foreign bankruptcy laws, and any such airline (or a trustee on its behalf) would usually have the right to seek rejection of any executory airport lease or contract within certain specified time periods after the filing, unless extended by the bankruptcy court. In addition, during the pendency of a bankruptcy proceeding, a debtor airline using the Airport typically may not, absent a court order, make any payments to the Authority either on account of services provided to the airline prior to the bankruptcy filing date or the airline's use of airport facilities prior to the bankruptcy filing date (such services or use being referred to as "pre-petition" items). Thus, the Authority's stream of payments from a debtor airline may be interrupted to the extent such payments are for pre-petition items, including any accrued rent, landing fees, aviation fees, and PFCs. For any domestic or foreign airline not intending to continue operating at the Airport, the airline will likely reject all contracts with the Airport, and the Airport's recovery of amounts owed to it under the contracts prior to the filing date will typically be limited to the security deposits on hand for that airline and the percentage distribution of the airline's assets that all creditors receive at the conclusion of the bankruptcy proceeding.

An airline that has executed a Space Rental Agreement or other executory contract with the Authority and seeks protection under the U.S. bankruptcy laws after October 17, 2005, must assume or reject: (a) its Space Rental Agreement (or other unexpired lease of real property) within 120 days after the bankruptcy filing subject to a court-approved, one-time 90-day extension (further extensions are subject to the consent of the lessor), and (b) its other executory contracts with the Authority prior to the confirmation of a plan of reorganization. Bankruptcy courts are courts of equity, however, and as such can, and often do, grant exceptions to these time limitations.

In the event of an assumption of any executory contract or lease, an airline is required to cure any pre- and post-petition monetary defaults and provide adequate assurance of future performance under the applicable executory contract or lease. In the event of an assumption by a debtor airline and assignment to a third party, the assurance of future performance must be demonstrated by the proposed assignee.

Rejection of the Space Rental Agreement or other executory contract with the Authority gives rise to an unsecured claim of the Authority for damages, the amount of which in the case of an Space Rental Agreement or other lease is limited by the U.S. Bankruptcy Code generally to the amount unpaid prior to bankruptcy plus the greater of (i) one year of rent or (ii) 15% of the total remaining lease payments, not to exceed three years of rent. Claims for such damages are subject to the Authority's duty to mitigate damages. The amount ultimately allowed in the event of a rejection of a Space Rental Agreement or other executory contract could be considerably less, however, than the maximum amount allowed under the U.S. Bankruptcy Code.

Airport's Largest Carriers, Airline Industry Consolidation and Growth of Low Cost Carriers

The Airport derives a substantial portion of its operating revenues from the airlines serving the Airport. For Fiscal Years 2023 and 2022, Southwest Airlines accounted for approximately 25.8% and 26.6%, respectively, of the total enplaned passengers at the Airport, Delta accounted for 17.3% and 17.6%, respectively, and American accounted for approximately 16.0% and 17.8%, respectively, respectively. If any of these airlines, or other airlines serving the Airport, were to reduce or cease service at the Airport, such flights would not necessarily be replaced by other airlines. While historically when airlines have reduced or ceased operations at the Airport other airlines have absorbed the traffic with no significant adverse impact on Airport revenues, it is possible that were Southwest Airlines, American or Delta or another airline to cease or significantly cut back operations at the Airport, then Revenues, PFC collections and costs for other airlines serving the Airport could be adversely affected.

In response to competitive pressures, the U.S. airline industry has continued to consolidate. Delta and Northwest merged in 2008; United and Continental merged in 2010; Southwest Airlines acquired AirTran Airways in 2011; and US Airways and American Airlines merged in 2013. Alaska Air Group acquired Virgin Airlines in December 2016 and received a single operating certificate in January 2018. In July 2022, Spirit Airlines and JetBlue Airways announced their intention to merge. The merger was approved by Spirit Airlines shareholders in October 2022, however on March 14, 2023, the U.S. Department of Justice filed a lawsuit to block the proposed merger. On January 16, 2024, the court issued a ruling disapproving the merger under the principals of antitrust law. On March 4, 2024, JetBlue announced that the merger agreement between the two airlines had been terminated. While prior mergers have had little impact on the combined airlines market share at the Airport, future mergers or alliances among airlines operating at the Airport may result in fewer flights or decreases in gate utilization by one or more airlines. Such decreases could result in reduced Revenues and PFC collections, and increased costs for the other airlines serving the Airport.

Frontier and JetBlue have both grown substantially since Fiscal Year 2019, handling 58.4% and 30.2% more passengers in Fiscal Year 2023 than Fiscal Year 2019, while new entrant airline Breeze now ranks among the eight largest airlines at the Airport by enplaned passengers.

Publicly Available Information Concerning the Airlines

Most of the domestic airlines serving the Airport, or their respective parent corporations, are subject to the information reporting requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files reports and other information with the Securities and Exchange Commission (the "SEC"). Likewise, foreign airlines serving the Airport that have American Depository Receipts registered on a U.S. national exchange are subject to the same reporting requirements. Certain information, including financial information, as of particular dates concerning each of these reporting airlines (or their respective parent corporations) is disclosed in reports and statements filed with the SEC. Such reports and statements can be inspected and copied at the public reference facilities maintained by the SEC and on its website. In addition, the airlines also are required to file periodic reports of financial and operating statistics with the United States Department of Transportation (the "DOT"). Such reports can be inspected at the following location: Office of Aviation Information Management, Data Requirements and Public Reports Division, Research and Special Programs Administration, Department of Transportation, 400 Seventh Street, S.W., Washington, D.C. 20590, and copies of such reports can be obtained from the DOT at prescribed rates. The Authority does not undertake any responsibility for or make any representation as to the accuracy or completeness of: (i) any reports and statements filed with the SEC or DOT or (ii) any material contained on the SEC's website, as described above.

Regulations and Restrictions Affecting the Airport

The operations of the Airport are affected by a variety of contractual, statutory and regulatory restrictions and limitations including, without limitation, the provisions of the Space Rental Agreements and other concession and lease agreements, the federal acts authorizing the imposition, collection and use of PFCs and extensive federal legislation and regulations applicable to all airports in the United States. The Authority also has been required to implement enhanced security measures mandated by the FAA and DHS.

It is not possible to predict whether future restrictions or limitations on Airport operations will be imposed, whether future legislation or regulations will affect anticipated federal funding or PFC collections for capital projects for the Airport, whether any additional requirements will be funded by the federal government or require funding by the Authority, or whether such restrictions or legislation or regulations would adversely affect Airport Revenues.

Climate Change and Environmental Issues

<u>Climate Change</u>

Numerous scientific studies on global climate change show that sea levels are expected to rise due to the increasing temperature of the oceans and growing ocean volume from glaciers and ice caps melting. As a result, coastal areas of the Air Trade Area may be at risk of flood damage over time, affecting private development and public infrastructure, including roads, utilities and emergency services. The Airport, located at approximately 26 feet above mean sea level, is adjacent to Tampa Bay, which opens into the Gulf of Mexico. Projections of the impacts of global climate change on the Air Trade Area, the Airport and Airport operations are complex and depend on many factors that are outside of the Authority's control. Also, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the Authority is unable to forecast when sea level rise or other adverse impacts of climate change could occur, nor can the Authority predict the timing or magnitude of any adverse economic effects of climate change, including impacts on the business operations or financial condition of the Airport or on the economy of the Air Trade Area during the term of the 2024B Bonds.

In addition, climate change concerns are shaping laws and regulations at the federal and State levels that could have a material adverse effect on airlines operating at the Airport and could also affect ground operations at the Airport. In January 2021, the U.S. Environmental Protection Agency (the "EPA") adopted a final rule setting greenhouse gas ("GHG") emission standards that apply to certain new commercial airplanes, including all large passenger jets. These standards match the international airplane carbon dioxide standards adopted by the International Civil Aviation Organization ("ICAO"). These standards now apply to new aircraft type designs and in-production aircraft must meet the standards by 2028. The Authority cannot predict what effect the standards may have on the Airport or on air traffic at the Airport. Further, the Authority cannot predict what additional laws and regulations on other environmental issues (including but not limited to air, water, hazardous substances and waste regulations) will be adopted, or what effects such laws and regulations will have on the Airport, airlines serving the Airport, other Airport tenants, or the local economy. The effects, however, could be material.

Environmental Issues

Airport operations involve the storage and use of a number of substances that are regulated under various federal, state and local regulations. In the event such storage and handling of regulated substances causes environmental damage, the costs resulting from such damage and the remediation of such damage may be significant. These regulated substances at the Airport are predominantly used by Airport tenants.

The Airport's Fire Department has used aqueous film-forming foam ("AFFF") known to contain per- and polyfluoroalkyl substances ("PFAS"), in accordance with FAA requirements for fire suppression. AFFF is effective in smothering fuel fires and FAA standards historically contained PFAS in AFFF.

PFAS are a group of more than 3,000 synthetic chemicals that have been in use since the 1940s. PFAS are found in many products such as dental floss, food packaging materials, stain-resistant materials, non-stick products, water repellant textiles, and fire-fighting foams. On May 8, 2023, the FAA published an Aircraft Firefighting Foam Transition Plan to ensure the orderly transition from current PFAS-containing AFFF to replacement fluorine-free foam ("F3") products as they are developed and manufactured. On September 13, 2023, the first FAA-approved F3 became available for purchase. Currently, under federal regulations airports may, but are not required to, transition to using F3 in their aircraft rescue and firefighting vehicles.

The EPA found evidence that continued exposure to certain PFAS above specified levels may lead to adverse health effects. Currently, the key PFAS compounds of concern are perfluorooctanesulfonate ("PFOS") and perfluorooctanoic acid ("PFOA"). The EPA released a statement in November 2016 summarizing available peer-reviewed studies on laboratory animals and epidemiological evidence in human populations as indicating that exposure to PFOA and PFOS over certain levels may result in adverse health effects. In February 2019, the EPA issued a PFAS Action Plan. The PFAS Action Plan outlines EPA's strategy to better understand the health risks associated with PFAS and to develop tools for characterizing PFAS in the environment, cleanup approaches, and enforcement mechanisms.

On September 6, 2022, the EPA published a proposed rule designating PFOS and PFOA as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"). On April 19, 2024, the EPA released a pre-publication version of the final rule designating PFOS and PFAS as hazardous substances under CERCLA. The final rule was published in the Federal Register May 8, 2024 and took effect 60 July 8, 2024. However, the EPA's designation of PFOS and PFAS as hazardous substances under CERCLA is currently being challenged by the U.S. Chamber of Commerce, Associated General Contractors of America and the National Waste and Recycling Association in D.C. Circuit Court.

In April 2024, the EPA announced the first-ever national standards for PFAS in drinking water under the Safe Drinking Water Act. This rule sets health safeguards that require public water systems to monitor and reduce the levels of PFAS in drinking water, and notify the public of any exceedances of those levels. The rule sets drinking water limits for five individual PFAS, including PFOA and PFOS, as well as setting a limit for any combination of four PFAS, including what are known as "GenX Chemicals." While the EPA has now established these standards relating to drinking water, there are currently no regulatory standards relating to surface water.

In 2021 and 2022 the Authority collected samples of groundwater and either there was no PFAS detected or it was confined to Airport property. Additionally, on February 2, 2017 the Authority enacted an ordinance prohibiting the use of groundwater on Airport property. On March 7, 2019, the Authority enacted an ordinance regulating soil use and prohibiting soil disturbance without a permit at the Airport. The extent to which PFAS poses a risk to human health and the environment is not yet well understood. At this time, there is no remediation requirement for the Authority. However, if the Authority has to bear the costs of remediation or third-party liability for PFAS in the future, it is possible such costs could be extensive.

The Authority filed a federal lawsuit in July 2020 against certain known and unknown firefighting foam manufacturers alleging the negligent sale of products containing PFAS chemicals. The lawsuit is a proactive step by the Authority to recover potential costs associated with any future mitigation or remediation as a result of the Authority using this previously FAA-mandated chemical in its firefighting methods. The cost of any potential remediation of Airport System properties as a result of the PFAS chemicals is currently unknown. Further, there are no assurances that the Airport will recover any compensation from the plaintiffs. See "LITIGATION" herein for more information. In addition, the potential exists for other pollutants or contaminants to impact the Airport System's land and facilities, or there could have been prior releases of pollutants or contaminates that have impacted the Airport System's land and facilities but are not known at this time, either of which could require significant capital expenditures by the Airport or changes in the Airport's operations that could have an adverse material impact on the Authority.

Cybersecurity

Computer networks and systems used for data transmission and collection are vital to the efficient operations of the airline industry and the Authority. Air travel industry participants, including airlines, the FAA, the TSA, the Authority, concessionaires and others collect and store sensitive data, including intellectual property, proprietary business information, information regarding customers, suppliers and business partners, and personally identifiable information of customers and employees. The secure processing, maintenance and transmission of this information is critical to air travel industry operations. Despite security measures, information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Increasingly, government entities are being targeted by cyber-attacks seeking to obtain confidential data or disrupt critical services. A rapidly changing cyber risk landscape may introduce new vulnerabilities which may hackers exploit in attempts to effect breaches or service disruptions. Any such breach could compromise networks and the information stored there could be disrupted, accessed, publicly disclosed, lost or stolen. The Authority has implemented security measures and devoted significant resources to address potential cybersecurity vulnerabilities. Its cybersecurity measures are designed, among other things, to train end users, control access to networks, prevent and detect system intrusion, protect software and hardware, eradicate malware, and recover from cybersecurity incidents. The Authority also undergoes annual assessments by qualified third party security assessors. Employees participate in mandatory cybersecurity training annually and are trained on measures to identify potential cybersecurity threats in procurement and payments processes. Notwithstanding the foregoing, any such disruption, access, disclosure or other loss of information could result in disruptions in the efficiency of the air travel industry, legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, operations and the services provided, and cause a loss of confidence in the air travel industry, any of which could ultimately adversely affect Airport Revenues.

Supply Chain

The Authority has encountered adverse impacts resulting from the current supply chain crises. Specifically, the Authority has incurred increased costs with certain goods and project deliverables, increased shipping costs and delivery delays. Steps taken by the Authority to mitigate the supply chain crises include, but are not limited to, monitoring the market and impacts on deliveries of items purchased for the operations and management of the Airport. Notwithstanding the foregoing, the Authority is still maintaining the schedule and budget for its Capital Program projects. It is projected that there will be additional effects in the future. Therefore, for new projects that have not yet started, the Authority is taking these supply chain crisis factors into account in the revised budgets and schedules.

Federal Law Affecting Airport Rates and Charges

In general, federal aviation law requires that airport fees charged to airlines and other aeronautical users be reasonable and that in order to receive federal grant funding, all airport generated revenues must be expended for the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the airport owner that are directly and substantially related to air transportation of passengers or property. The Authority is not aware of any formal dispute involving the Airport over any existing rates and charges. The Authority believes that the rates and charges methodology it utilizes and the rates and charges it imposes upon air carriers, foreign air carriers and other aeronautical users are reasonable and consistent with applicable law.

Passenger Facility Charges

Termination of PFCs. The Authority's authority to impose and use PFCs is subject to certain terms and conditions provided in the PFC Act, the PFC Regulations and the FAA's authorizations to impose PFCs. If the Authority fails to comply with these requirements, the FAA may take action to terminate or to reduce the Authority's authority to impose or to use PFCs. The FAA may terminate the Authority's authority to impose PFCs, subject to informal and formal procedural safeguards, if (a) PFC revenues are not being used for approved projects in accordance with the FAA's approval, the PFC Act or the PFC Regulations, or (b) the Authority otherwise violates the PFC Act or the PFC Regulations. The Authority is in compliance with all such terms and conditions. The Authority's authority to impose a PFC may also be terminated if the Authority violates certain provisions of the Airport Noise and Capacity Act of 1990 (the "ANCA") and its implementing regulations relating to the implementation of noise and access restrictions for certain types of aircraft. The regulations under ANCA also contain procedural safeguards to ensure that the Authority's authority to impose a PFC would not be summarily terminated. The Authority is in compliance with the Airport Noise and Capacity Act.

No assurance can be given that the Authority's authority to impose a PFC will not be terminated by Congress or the FAA, that the PFC program will not be modified or restricted by Congress or the FAA so as to reduce PFC revenues available to the Authority or that the Authority will not seek to decrease the amount of PFCs to be collected, provided such decrease does not violate the Authority's covenant in the PFC Resolution. Further, the current PFC Charge Expiration Date for PFC collections is currently estimated to occur on October 1, 2038. A shortfall in PFC revenues may cause the Authority to increase rates and charges at the Airport to meet the debt service requirements PFC Bonds that the Authority plans to pay from PFCs, and/or require the Authority to identify other sources of funding for its capital program, including issuing additional Bonds and/or additional Subordinated Bonds, to finance the pay-as-you-go projects currently expected to be paid with PFC revenues.

Amendments to PFC Act or PFC Regulations. There is no assurance that the PFC Act will not be repealed or amended or that the PFC Regulations or any FAA authorization to impose PFCs will not be amended in a manner that would adversely affect the Authority's ability to collect and use PFC Revenues.

Collection of the PFCs. The ability of the Authority to collect sufficient PFCs depends upon a number of factors including the operation of the Airport by the Authority, the use of the Airport by airlines collecting PFCs, the efficiency and ability of the Collecting Carriers to collect and remit PFCs to the Authority and the number of enplanements at the Airport. The Authority relies upon the Collecting Carriers' collection and remittance of PFCs, and both the Authority and the FAA rely upon the airlines' reports of enplanements and collection statistics. The PFC Act provides that PFCs collected by the airlines constitute a trust fund held for the beneficial interest of the eligible agency (i.e., the Authority) imposing the PFCs, except for any handling fee or retention of interest collected on unremitted proceeds. In addition, federal regulations require airlines to account for PFC collections separately and to disclose the existence and amount of funds regarded as trust funds for financial statements. Airlines are permitted to commingle PFC collections with other revenues. Airlines that have filed for Chapter 7 or 11 bankruptcy protection, however, are required to segregate PFC revenue in a separate account for the benefit of the Airport and cannot grant a third party any security or other interest in PFC revenue. The airlines are entitled to retain interest earned on PFC collections until such PFC collections are remitted. This procedure was followed by Delta, United and Northwest during their respective bankruptcies. PFCs collected by those airlines were required by the bankruptcy court to be placed in accounts separate from other airline revenue accounts and be paid to airports monthly in accordance with the PFC regulations. However, the Authority cannot predict whether an airline that files for bankruptcy protection will properly account for the PFCs or whether the bankruptcy estate will have sufficient moneys to pay the Authority in full for the PFCs owed by such airline. The Authority has recovered all of its PFCs from each of the airlines that filed for Chapter 11 bankruptcy protection to date.

Federal Funding Considerations

Federal legislation affects the AIP grant funding that the Authority receives from the FAA, the Authority's PFC collections, and the operational requirements imposed on the Authority. The FAA operates under an authorization-appropriation process created by Congress in which the authorization bill continues an agency's operation and the appropriation bill provides the funding for the activity under the authorization bill. Most authorization bills are for multiple years while the appropriation bills are done on an annual basis. In some cases, the bills can be combined as noted below.

The FAA Reauthorization Act of 2024 (the "2024 Reauthorization Act") was signed into law on May 16, 2024. The 2024 Reauthorization Act extends general expenditure authority for the Airport and Airway Trust Fund through September 30, 2028, and extends aviation taxes funding the Airport and Airway Trust Fund for the same period. The 2024 Reauthorization Act increases appropriations for AIP to $4 billion a year, or $20 billion over the five-year period. The 2024 Reauthorization Act also requires the FAA to hire and train 3,000 new air traffic controllers and to use new technology designed to prevent collisions between planes on runways. It also requires airlines to pay refunds to customers for flight delays.

There is no assurance that the FAA will receive spending authorization, and the FAA could be impacted by sequestration, as described in more detail below. The Airport cannot predict the level of available AIP funding it may receive. If there is a reduction in the amount of AIP grants awarded to the

Authority for the Airport, such reduction could (i) increase by a corresponding amount the capital expenditures that the Authority would need to fund from other sources (including operating revenues, additional Bonds or additional Subordinated Bonds) or (ii) extend the timing for completion of certain projects. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT – The Capital Program, the 2024 Projects, and Funding Sources."

The Airport depends upon federal funding not only in connection with grants and PFC authorizations but also because it is federal funding that provides for TSA, CBP, air traffic control and other FAA staffing and facilities. Another factor that has affected the industry in the last several years is the federal budget reductions, enacted through implementation of the sequestration provisions of the Budget Control Act of 2011. The sequestration provisions were first triggered in 2013, cutting the budgets of federal agencies, including the FAA, CBP and TSA. While reductions have continued in some form in every year since, Congress has acted several times to prevent "sequester" cuts to discretionary programs. The most recent of these actions was the Bipartisan Budget Act of 2019 that increased the spending caps for federal Fiscal Years 2020 and 2021 and should prevent automatic discretionary sequester cuts for these two years. These are the final two years for which discretionary spending caps are scheduled to be in effect under the BCA. Per the Congressional Budget Office, federal agencies did not have to cut their spending because of sequestration in fiscal 2020. Should sequestration be triggered again, it could adversely affect FAA, CBP and TSA budgets and operations, as well as the availability of certain federal grant funds such as AIP funding. Such budget cuts could also lead to the FAA, CBP and TSA being forced to implement furloughs of their employees and freeze hiring, which could result in flight delays and cancellations.

Capacity of National Air Traffic Control and Airport Systems

Demands on the national air traffic control system may cause aircraft delays and restrictions, both on the number of aircraft movements in certain air traffic routes and on the number of landings and takeoffs at certain airports. These restrictions may affect airline schedules and passenger traffic nationwide. The FAA is gradually automating and enhancing the computer, radar, and communications equipment of the air traffic control system and assisting in the development of additional airfield capacity through the construction of new runways and the more effective use of existing runways. However, increasing demands on the national air traffic control and airport systems could cause increased delays and restrictions in the future. In addition to any future constraints that may be imposed by the capacity of the national air traffic control and national airport systems, future growth in airline traffic at the Airport is also dependent on the capacity of the Airport itself. The airfield, terminal and other facilities included in the Capital Program are intended to ensure that the Airport capacity will be available to accommodate forecasted passenger demand.

Costs and Schedule of the 2024 Projects and other Capital Program Projects

The estimated costs of, and the projected schedule for, the 2024 Projects and other Capital Program projects are subject to a number of uncertainties. The ability of the Authority to complete these capital improvements may be adversely affected by various factors including, without limitation: design and engineering errors, changes to the scope of the 2024 Projects or other Capital Program projects, delays in contract awards, material shortages or delivery delays, labor shortages, unforeseen site conditions, adverse weather conditions, contractor defaults, labor disputes, unanticipated levels of inflation, litigation, delays in permitting, casualty and environmental issues and additional security improvements and associated costs mandated by the federal government. No assurance can be given that the 2024 Projects or other Capital Program projects will not cost more than is currently estimated. Any schedule delays or cost increases could result in the need to issue additional indebtedness and may result in increased costs per enplaned passenger to the airlines utilizing the Airport. Costs per enplaned passenger have been \$4.94, \$8.76, \$10.87, \$9.49 and \$9.71 for each of the last five Fiscal Years. Construction of large projects at airports also involve the risk of disruption of ongoing operations and a resultant reluctance on the part of passengers and airlines to use the Airport. The successful implementation of the Capital Program projects requires the issuance of additional indebtedness and the receipt of future revenues. No assurances can be given that these sources of funding will be available in the amounts or in the assumed schedule.

Ad Valorem Taxes

The Act grants the Authority certain discretionary powers, including, without limitation, the power to adopt a resolution as may be required to levy an ad valorem tax, not to exceed 1.5 mills per annum, on all the taxable real and personal property in the County, and submit the same to the Board of County Commissioners of the County. Based on the County's current assessed taxable valuations of approximately $157.2 billion, the Authority would be able to levy up to approximately $235.8 million annually. However, as noted in the section entitled "THE AUTHORITY" herein, the Authority has not previously adopted such a resolution in over 40 years. Further, in the event such tax was levied in the full amount, there are no assurances that future assessed valuations will be the same as current valuations or that the full amount of the tax levied will be collected. Further, to the extent any ad valorem taxes are levied and collected in the future, the same will not be included in Pledged Revenues.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements." When used in this Official Statement, the words "estimate," "anticipate," "forecast," "project," "intend," "propose," "plan," "expect," and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements.

Any financial projections set forth in this Official Statement were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to the prospective financial information. The Authority's independent auditors have not compiled, examined, or performed any procedures with respect to the prospective financial information contained in this Official Statement, nor have they expressed any opinion or any other form of assurance on such information or its achievability. The Authority's independent auditors have not been consulted in connection with the preparation of any financial projections contained in this Official Statement and the Authority's independent auditors assume no responsibility for its content.

Uncertainties of Projections, Forecasts and Assumptions

The Consultant Report contains certain assumptions, forecasts and projections. See APPENDIX A – "REPORT OF THE AIRPORT CONSULTANT." Projected compliance with certain of the covenants contained in the Trust Agreement is also based upon assumptions and projections. Projections and assumptions are inherently subject to significant uncertainties. Inevitably, some assumptions will not be realized and unanticipated events and circumstances may occur and actual results are likely to differ, perhaps materially, from those projected. Accordingly, the projections contained in the Consultant Report are not necessarily indicative of future performance, and neither the Authority nor the Airport Consultant assumes any responsibility for the accuracy of such projections.

The projections are based, in part, on historic data from sources considered by the Airport Consultant to be reliable, but the accuracy of this data has not been independently verified. The projections are based on assumptions made by the Airport Consultant concerning future events and circumstances which the Airport Consultant believes are significant to the projections but which cannot be assured. Therefore, the actual results achieved may vary from the projections, and such variations could be material.

ENFORCEABILITY OF REMEDIES

The remedies available to the holders of the 2024B Bonds upon an event of default under the Trust Agreement are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies specified by the Trust Agreement and the 2024B Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the 2024B Bonds (including Bond Counsel's approving opinion) will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

FINANCIAL ADVISOR

The Authority has engaged Frasca & Associates, LLC, as Financial Advisor (the "Financial Advisor"), in connection with the authorization, issuance and sale of the 2024B Bonds. Under the terms of its engagement, the Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

FINANCIAL STATEMENTS

The financial statements of the Authority as of and for the years ended September 30, 2023, included in APPENDIX B of this Official Statement have been audited by RSM US LLP as stated in their report appearing in APPENDIX B. Such financial statements, including the auditor's report, have been included in this Official Statement as public documents and consent from the auditors was not requested. The auditors have not performed any services related to, and therefore are not associated with, the preparation of this Official Statement.

PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS

Retirement Plan

The Authority participates in the State of Florida Retirement System ("FRS"), a cost-sharing multiple-employer public employee retirement system, which covers substantially all of the Authority's full-time employees. The FRS is controlled by the State Legislature and is administered by the Florida Department of Administration, Division of Retirement. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and a health insurance subsidy to plan members, and survivor benefits to beneficiaries. Changes to the law can be made only by an act of the Florida Legislature. For more information regarding FRS and its defined benefit pension and contribution plans see Notes 10 and 11 to Notes to financial statements included in APPENDIX B hereto.

The Florida Retirement System Annual Report reflects the financial operation and condition of state-administered retirement systems and is available to the public. The publication contains financial statements, actuarial and investment information, and other statistical data related to the FRS. A copy of the report can be obtained on line at www.frs.state.fl.us.

FRS Contributions

The Authority is required to contribute monthly amounts on behalf of their FRS participants, regardless of which plan the participants may participate in, at actuarially determined rates expressed as percentages of covered payroll. The Florida Legislature establishes contribution rates for participating employers and employees. The Authority's contributions to the FRS Plan were approximately $6.6 million and $5.8 million for the Fiscal Years 2023 and 2022, respectively. The Authority's contributions represented less than one percent of total contributions required of all participating members. The total contributions for Fiscal Years 2023 and 2022 were 100% of the required amount.

Other Post-Employment Benefits ("OPEB")

In addition to pension benefits, the Authority offers other post-employment benefits of health, dental and life insurance. Employees that retire under the FRS have the option to continue to participate in the group insurance plans of the Authority. The retirees and their dependents are offered the same coverage as is provided to current employees. The plan is a single-employer defined benefit healthcare plan self-funded by the Authority through the health care insurance provider. The dental insurance plan is fully contributory and there is no OPEB liability associated with this benefit. The Authority does not issue a separate financial report for the OPEB Plan.

On October 1, 2017 the Authority implemented GASB Statement No. 75, Financial Reporting for Postemployment Benefit Plans Other Than Pensions, which replaces the requirements of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The Authority had a net OPEB obligation for the years ended September 30, 2023 and 2022 of approximately $5.2 million and $4.9 million, respectively, which is a non-current liability in the statements of net position.

For more information regarding OPEB see Note 12 to Notes to Financial Statements included in APPENDIX B hereto.

LITIGATION

There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending, or to the knowledge of the Authority, threatened against or affecting the Authority or, to its knowledge, any basis therefor, wherein an unfavorable decision would have a material adverse effect on the financial position of the Authority or the transactions contemplated by this Official Statement or the validity of the 2024B Bonds, the Trust Agreement, the Airport Rates, Fees and Charges Resolution or any agreement or instrument to which the Authority is a party and which is used or contemplated for use in the transactions contemplated by this Official Statement.

The Authority is engaged in routine litigation either covered by liability insurance or common to the operation of airport facilities which is not material to the Authority's financial position. The Authority is engaged in two other non-routine litigation matters that are described below.

Hillsborough County Aviation Authority v. The Ansul Company, et al., U.S. District Court, District of South Carolina Case No. 20-cv-02670-RMG. In July 2020, the Authority filed a federal lawsuit against certain known and unknown firefighting foam manufacturers. The lawsuit alleges that the manufacturers negligently sold a product that has contaminated the Airport System with certain per- and polyfluoroalkyl substances (or chemicals widely known by the acronym "PFAS"). PFAS chemicals are frequently referred to as "forever chemicals" that fail to break down timely in the environment, can accumulate over time and move through soils and contaminate drinking water, and sicken people who ingest them. The lawsuit is a proactive step by the Authority to recover potential costs associated with any future mitigation or remediation as a result of the Authority using this previously FAA-mandated chemical in its firefighting methods. The lawsuit asks for compensation to pay for investigating, fixing and monitoring any ongoing contamination of surface, surface water, groundwater, soil and sediment on Airport System properties.

Further, there are no assurances that the Airport will recover any compensation from the plaintiffs. See "CERTAIN INVESTMENT CONSIDERATIONS – Climate Change and Environmental Issues" herein.

Hillsborough County Aviation Authority v. Hillsborough County Property Appraiser, Case No. 2D20-3602, L.T. No. 20-CA-04927. The Authority has appealed a November 2020 circuit court judge ruling that the Authority must pay taxes on land owned by the Authority and leased to private tenants. The ruling affects approximately 16 different Airport System properties that are leased to private tenants. In the event the Authority's appeal in unsuccessful, approximately $61,057.26 in current property taxes will be due and payable, and similar additional property taxes would be expected to be due in future tax years.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Bond Counsel, under existing law, interest on the 2024B Bonds is excludable from gross income for federal income tax purposes, except no opinion is expressed as to the exclusion from gross income of interest on any 2024B Bond for any period during which such 2024B Bond is held by a person who is a "substantial user," within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"), of any project financed or refinanced with proceeds of the 2024B Bonds, or a "related person" to such a "substantial user."

The foregoing opinions of Bond Counsel are subject to the condition that the Authority complies with all requirements of the Code that must be satisfied subsequent to the issuance of the 2024B Bonds in order for interest on the 2024B Bonds to be excludable from gross income for federal income tax purposes. The Authority has covenanted to comply with such requirements.

The scope of the foregoing opinions of Bond Counsel is limited to matters addressed above and no opinion is expressed by Bond Counsel regarding other federal income tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2024B Bonds. In rendering such opinions, Bond Counsel further assumes and relies upon (i) without undertaking to verify the same by independent investigation, the accuracy of the representations, statements of intention and reasonable expectation, and certifications of fact of the Authority with respect to matters affecting the excludability of interest on the 2024B Bonds from gross income for federal income tax purposes under the Code; and (ii) continuing compliance by the Authority with the applicable requirements of the Code as to such tax matters and certain procedures, agreements and covenants that must be met subsequent to the issuance of the 2024B Bonds in order that interest on the 2024B Bonds be and remain excludable from gross income for federal income tax purposes.

Bond Counsel has not been engaged or retained to monitor post-issuance compliance. Failure of the Authority to comply with such requirements may cause the interest on the 2024B Bonds to not be excludable from gross income for federal income tax purposes retroactively to the date of issuance of the 2024B Bonds irrespective of the date on which such noncompliance occurs or is ascertained.

Bond Counsel's opinions set forth above are based upon current facts and circumstances, and upon existing law and interpretations thereof, as of the date such opinions are delivered and Bond Counsel assumes no affirmative obligation to update, revise or supplement such opinions to reflect any action thereafter taken or not taken or if such facts or circumstances, or laws or interpretations thereof, change after the date of such opinions, including, without limitation, changes that adversely affect the excludability of interest on the 2024B Bonds, even if such actions, inactions or changes come to Bond Counsel's attention. Further, such opinions are limited solely to the matters stated therein, and no opinion is to be implied or is intended beyond the opinions expressly stated therein. Moreover, the opinion of Bond Counsel is only an opinion and not a warranty or guaranty of the matters discussed or of a particular result, and is not binding on the Internal Revenue Service (the "IRS") or the courts. See also "LEGAL MATTERS" herein.

Prospective purchasers of the 2024B Bonds should also be aware that ownership of the 2024B Bonds may result in adverse tax consequences under the laws of various states and local jurisdictions. Bond Counsel expresses no opinion regarding any state or local tax consequences of acquiring, carrying, owning or disposing of the 2024B Bonds. Prospective purchasers of the 2024B Bonds should consult their tax advisors as to any state and local tax consequences to them of owning the 2024B Bonds.

Alternative Minimum Tax

Interest on the 2024B Bonds will be treated as an item of tax preference in computing the alternative minimum tax imposed on certain individuals and will be included in the "adjusted financial statement income" of certain corporations on which the federal alternative minimum tax is imposed under the Code.

Original Issue Premium

The 2024B Bonds (collectively, the "Premium Bonds") were offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering at the price for that Premium Bond who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond.

The federal income tax treatment of original issue premium under the Code, including the determination of the amount of amortizable bond premium that is allocable to each year, is complicated. Purchasers of Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange or other disposition of, Premium Bonds.

The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Premium Bonds which are not purchased in the initial offering may be determined according to rules which differ from those described above.

Certain Collateral Federal Income Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the 2024B Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of any 2024B Bonds. Bond Counsel has not expressed an opinion regarding the collateral federal income tax consequences that may arise with respect to the 2024B Bonds.

Prospective purchasers of the 2024B Bonds should be aware that ownership of, receipt or accrual of interest on, or disposition of, tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S Corporations with "excess net passive income" and foreign corporations subject to the branch profits tax, individuals eligible to receive the earned income tax credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the 2024B Bonds.

Information Reporting and Backup Withholding

Interest paid on tax-exempt obligations is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the 2024B Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, under the Code certain non-corporate owners of 2024B Bonds, under certain circumstances, will be subject to "backup withholding" with respect to payments on the 2024B Bonds and proceeds from the sale of the 2024B Bonds. Any amounts so withheld would be refunded or allowed as a credit against the federal income tax of such owner of the 2024B Bonds. This withholding generally applies if the owner of the 2024B Bonds (i) fails to furnish the paying agent (or other person who would otherwise be required to withhold tax from such payments) such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnishes the paying agent an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the paying agent or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding.

Prospective purchasers of the 2024B Bonds may wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding and the procedures for obtaining exemptions.

Miscellaneous

Bond Counsel gives no assurance that any future legislation or clarifications or amendments to the Code, if enacted into law or that otherwise become effective, will not cause the interest on the 2024B Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent the Bondholders from realizing the full current benefit of the tax status of the interest on the 2024B Bonds. During recent years, legislative proposals have been introduced in Congress, and in some cases have been enacted, that have altered or could alter certain federal tax consequences of owning obligations similar to the 2024B Bonds. In some cases, these proposals have contained provisions that were to be applied on a retroactive basis. It is possible that legislation could be introduced that, if enacted, could change the federal tax consequences of owning the 2024B Bonds and, whether or not enacted, could adversely affect their market value. Prospective purchasers of the 2024B Bonds are encouraged to consult their own tax advisors regarding any pending or proposed federal legislation, as to which Bond Counsel expresses no view.

The federal income tax consequences from the purchase, ownership and redemption, sale or other disposition of 2024B Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Purchasers of the 2024B Bonds at other than their original issuance at the respective prices indicated on the inside cover of this Official Statement should consult their own tax advisors regarding other tax considerations.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE 2024B BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX

CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISORS FOR INFORMATION IN THAT REGARD.

LEGAL MATTERS

Certain legal matters relating to the authorization, issuance, sale and delivery of the 2024B Bonds are subject to the approval of Holland & Knight LLP, Tampa, Florida, whose legal services as Bond Counsel have been retained by the Authority.

The proposed text of the legal opinions are set forth in APPENDIX J hereto. The opinions will speak only as of their date, and subsequent distribution of them by recirculation of the Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expressed any opinion concerning any of the matters referenced in the opinions subsequent to their date.

The opinions of Bond Counsel will be limited to matters relating to the authorization and validity of the 2024B Bonds and the tax-exempt status of interest thereon, as described in the section "TAX MATTERS" and will make no statement regarding the accuracy and completeness of this Official Statement.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances, including changes in law, that may thereafter occur or become effective.

In their capacity as Bond Counsel, Holland & Knight LLP has reviewed the statements in this Official Statement under the captions "DESCRIPTION OF THE 2024B BONDS," "SECURITY FOR THE 2024B BONDS," and "AMENDMENTS TO THE TRUST AGREEMENT," and believe that insofar as such statements constitute summaries of the Trust Agreement and the provisions of the 2024B Bonds, such statements constitute fair summaries of the portions of the documents purported to be summarized. In its capacity as Bond Counsel, Holland & Knight LLP has also reviewed the statements under the caption "TAX MATTERS" and believes such statements are accurate. Bond Counsel expresses no further opinion with respect to the accuracy, completeness or sufficiency of this Official Statement, nor do they express any opinion as to the compliance by the Authority with any federal or state statute, regulation or ruling with respect to the sale or distribution of the 2024B Bonds.

Certain legal matters in connection with the offering of the 2024B Bonds will be passed upon for the Authority by its Disclosure Counsel, GrayRobinson, P.A., Tampa, Florida. Certain other legal matters will be passed upon for the Authority by Michael T. Kamprath, Esq., Assistant General Counsel. The Underwriters are being represented by their counsel, Bryant Miller Olive P.A., Tampa, Florida.

The legal opinions to be delivered concurrently with the delivery of the 2024B Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

CONTINGENT FEES

The Authority has retained Bond Counsel, Disclosure Counsel, the Financial Advisor, and the Underwriters (who have retained Underwriters' Counsel) with respect to the issuance of the 2024B Bonds. Payment of all or a portion of the fees of Bond Counsel relating to the issuance of the 2024B Bonds, a discount to the Underwriters, the fees of Disclosure Counsel, the fees of the Authority's Financial Advisor and the fees of Underwriters' Counsel are each contingent upon the issuance of the 2024B Bonds.

RATINGS

Moody's, Fitch Ratings ("Fitch") and Kroll Bond Rating Agency, Inc. ("KBRA") have assigned ratings as follows, all with stable outlooks:

	2024B Bonds
Moody's	"Aa3"
Fitch	"AA-"
KBRA	"AA"

Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from such rating agencies. Generally, rating agencies base their ratings on such information and materials and on investigations, studies and assumptions made by the rating agencies. There is no assurance that such ratings will be maintained for any given period of time or that they may not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their or its judgment circumstances warrant. Any such downward change in or withdrawal of such ratings, or any of them, may have an adverse effect on the market price of the 2024B Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder require that the Authority make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975. The Authority has never been in default as to principal and interest on its bonds or other debt obligations.

CONTINUING DISCLOSURE

The Authority, in accordance with the continuing disclosure requirements of Rule 15c2-12 in effect from time to time and applicable to the 2024B Bonds (the "Rule"), promulgated by the SEC pursuant to the Securities Exchange Act of 1934, as amended, will provide or cause to be provided, within 180 days of the end of the Authority's Fiscal Year in accordance with the Rule, certain annual financial information and operating data as of September 30 of each year, commencing with the Fiscal Year 2024, consistent with the financial information included in this Official Statement, and, when available, audited financial statements prepared pursuant to generally accepted auditing standards applicable to governmental entities. The Authority will make such filings to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA").

The Continuing Disclosure Agreement, the form of which is included as APPENDIX G, will be executed by the Authority prior to issuance of the 2024B Bonds. A review of prior filings by the Authority made pursuant to prior continuing disclosure agreements indicated that on October 2, 2020, S&P lowered its long-term rating on the Authority's Outstanding Bonds and Outstanding Subordinated Bonds, which rating change was not filed on EMMA until November 17, 2020. In addition, Annual Reports for the Fiscal

Years ended September 30, 2020 and September 30, 2021 for the Authority's outstanding CFC bonds inadvertently omitted TFC revenues for the Fiscal Year ended September 30, 2020. The Authority filed corrected Annual Reports with EMMA on January 20, 2022.

The Authority has retained Digital Assurance Certification, LLC, to serve as dissemination agent in connection with the 2024B Bonds along with its existing Outstanding Bonds and Outstanding Subordinated Bonds.

UNDERWRITING

The 2024B Bonds are being purchased by J.P. Morgan Securities LLC, Barclays Capital Inc., BofA Securities, Inc., Raymond James & Associates, Inc., and RBC Capital Markets, LLC (collectively, the "Underwriters"), (i) at a price of $506,595,434.20 for the 2024B Bonds, representing the par amount of the 2024B Bonds, net of Underwriters' discount of $879,484.40 from the initial offering prices of the 2024B Bonds set forth on the inside cover pages hereof, plus original issue premium of $44,499,918.60. The contract of purchase by and between the Underwriters and the Authority provides that the Underwriters will purchase all of the 2024B Bonds if any are purchased.

The Underwriters may offer and sell the 2024B Bonds to certain dealers and others at prices lower than the initial public offering prices stated on the inside cover pages of this Official Statement. The public offering prices may be changed from time to time by the Underwriters after the initial public offering.

The Underwriters and their affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. In the various course of its various business activities, the Underwriters and their affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the issuer. The Underwriters and their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that it should acquire, long and/or short positions in such assets, securities and instruments.

In the ordinary course of their various business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the 2024B Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that such firm sells.

BofA Securities, Inc., an underwriter of the 2024B Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the 2024B Bonds.

MISCELLANEOUS

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the 2024B Bonds, the security for the payment of the 2024B Bonds, and the rights and obligations of holders thereof.

The information contained in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the 2024B Bonds.

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The execution and delivery of this Official Statement by its Chairman and its Chief Executive Officer have been duly authorized by the Authority.

HILLSBOROUGH COUNTY AVIATION AUTHORITY

/s/ Arthur F. Diehl III
Arthur F. Diehl III
Chairman

/s/ Joseph W. Lopano
Joseph W. Lopano
Chief Executive Officer

APPENDIX A

REPORT OF THE AIRPORT CONSULTANT

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RICONDO®

August 1, 2024 APPENDIX A

Report of the Airport Consultant

Tampa International Airport
Revenue Bonds, 2024 Series B (AMT)

Prepared for:

Hillsborough County Aviation Authority

Prepared by:

RICONDO

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RICONDO®

August 1, 2024

Mr. Joseph Lopano, Chief Executive Officer
Hillsborough County Aviation Authority
Tampa International Airport
5411 Sky Center Drive
Suite 500
Tampa, FL 33607

RE: Report of the Airport Consultant for the Hillsborough County Aviation Authority, *Tampa International Airport Revenue Bonds, 2024 Series B (AMT)*

Dear Mr. Lopano:

Ricondo & Associates, Inc. (Ricondo) is pleased to present this Report of the Airport Consultant (Report) for inclusion as Appendix A of the Official Statement for the Hillsborough County Aviation Authority (Authority), Tampa International Airport (Airport) Revenue Bonds, 2024 Series B (AMT), (the 2024 Bonds).

The 2024 Bonds are being issued pursuant to provisions of the Authority's Trust Agreement, effective on or after March 9, 2022, as supplemented and amended from time to time (the Current Trust Agreement), as supplemented and amended by the Supplemental Trust Agreement with respect to such series (the 2024 Supplemental Trust Agreement and, collectively with the Current Trust Agreement, the Trust Agreement). The Authority adopted Resolution 2024-96 on August 1, 2024, authorizing the issuance of the 2024 Bonds.

The 2024 Bonds are payable from the Net Revenues (Gross Revenues less Operating Expenditures) generated from the operation of the Airport, the primary air carrier airport serving the Tampa Bay region, and three general aviation reliever airports, Peter O. Knight, Plant City, and Tampa Executive Airports (collectively with the Airport, the Airport System).

Proceeds of the 2024 Bonds are anticipated to be used to fund, in whole or in part, Airside D and certain Airport Capital Improvement Program (CIP) projects. These projects, described in detail in Section 3.3 of this Report, are collectively referred to herein as the 2024 Projects.

Further, proceeds from the 2024 Bonds are anticipated to be used to fund deposits in the common Senior Reserve Account, fund capitalized interest on a portion of the 2024 Bonds, and pay certain costs of issuance incurred in connection with the issuance of the 2024 Bonds. Unless otherwise defined herein, all capitalized terms in this Report are used as defined in the Official Statement, the Trust Agreement, or the Subordinated Trust Agreement.

Additionally, in July 2024, the Authority issued the Tampa International Airport Revenue Refunding Bonds, 2024 Series A (AMT) (the 2024A Bonds) to defease all of the outstanding Tampa International Airport Senior Revenue Bonds, 2015 Series A.

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This Report presents the analyses undertaken by Ricondo to demonstrate the ability of the Authority to comply with the requirements of the Trust Agreement and the Subordinated Trust Agreement on a *pro forma* basis for Fiscal Year (FY) 2024 through FY 2030 (the Projection Period) based on the assumptions regarding the planned issuance of the 2024 Bonds and future bonds established by the Authority through consultation with its financial advisor and construction manager. In developing its analysis, Ricondo reviewed historical trends and formulated projections and forecasts based on the assumptions put forth in this Report, which were reviewed and agreed to by the Authority and its professionals, regarding the ability of the Air Trade Area (defined herein) to generate demand for air service at the Airport, the trends in air service and passenger activity at the Airport, and the financial performance of the Airport.

This Report is organized as follows:

- Summary of Findings
- Chapter 1: The 2024 Bonds
- Chapter 2: Tampa International Airport System
- Chapter 3: The Capital Program, 2024 Projects, and Funding Sources
- Chapter 4: Demographic and Economic Analysis
- Chapter 5: Passenger Demand and Air Service Analysis
- Chapter 6: Financial Analysis

Based on the assumptions and analysis put forth in this Report, Ricondo is of the opinion that the Net Revenues generated by the Airport in each year of the Projection Period will be sufficient to comply with the Additional Bonds Test and the Rate Covenant established in the Trust Agreements and that the Subordinated Revenues and the Subordinated Passenger Facility Charge (PFC) Revenues will be sufficient to comply with the Additional Bonds Test and Rate Covenant established in the Subordinated Trust Agreement. Ricondo is also of the opinion that the Airport's airline rates and charges will remain comparable, on an airline cost per enplaned passenger basis, to other large-hub US airports throughout the Projection Period.

Founded in 1989, Ricondo is a full-service aviation consulting firm providing airport physical and financial planning services to airport owners and operators, airlines, and federal and state agencies. Ricondo has prepared Reports of the Airport Consultant in support of over $46 billion of airport-related revenue bonds since 1996. Ricondo is not registered as a municipal advisor under Section 15B of the Securities Exchange Act of 1934. Ricondo is not acting as a municipal advisor and has not been engaged by the Authority to provide advice with respect to the structure, timing, terms, or other similar matters regarding the issuance of municipal securities. The assumptions about such matters included in this Report were provided by the Authority or the Authority's financial advisors, or, with the Authority's approval, were derived from general, publicly available data approved by the Authority. Ricondo owes no fiduciary duty to the Authority. Ricondo recommends that the Authority discuss the information and analyses contained in this Report with internal and external advisors and experts that the Authority deems appropriate before taking any action. Any opinions, assumptions, views, or information contained herein are not intended to be, and do not constitute, "advice" within the meaning set forth in Section 15B of the Securities Exchange Act of 1934.

The techniques and methodologies used by Ricondo in preparing this Report and the analyses described therein are consistent with industry practices for similar studies in connection with the issuance of airport revenue bonds. While Ricondo believes that the approach and assumptions used are reasonable, some assumptions regarding future trends and events discussed in this Report, including the implementation schedule and the forecasts of passenger-related activity and projections of financial performance, may not materialize. Therefore, actual performance will likely differ from the forecasts and projections set forth in this Report, and the variations may be material. In developing its analyses, Ricondo used information from various sources, including the Authority, the financial advisors, federal and local governmental agencies, and independent providers of economic and aviation industry data, as identified in the notes accompanying the related tables and exhibits in this Report. Ricondo believes these sources to be reliable but has not audited the data and does not warrant their accuracy. The analyses presented are based on conditions known as of the date of this letter. Ricondo has no obligation to update this Report on an ongoing basis.

Sincerely,

Ricondo & Associates, Inc.

RICONDO & ASSOCIATES, INC.

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SUMMARY OF FINDINGS

The Hillsborough County Aviation Authority (HCAA or Authority) commissioned Ricondo & Associates, Inc. (Ricondo) to prepare this Report of the Airport Consultant (Report) to demonstrate the Authority's compliance with the Additional Bonds Test and Rate Covenants regarding the issuance of the Tampa International Airport (TPA or Airport) Revenue Bonds, 2024 Series B (AMT), (the 2024 Bonds).

This Report will also demonstrate the Authority's ability to generate Net Revenues (Gross Revenues less Operating Expenditures) sufficient to meet its obligations under the Authority's codified and restated Trust Agreement, effective on and after March 9, 2022, as amended (the Current Trust Agreement and, collectively with the 2024 Supplemental Trust Agreement, the Trust Agreement), including the Additional Bonds Tests and Rate Covenants, on a *pro forma* basis for Fiscal Year (FY) 2024 through FY 2030 (the Projection Period).

In developing its analysis, Ricondo reviewed the terms of the Trust Agreement and related documents that govern the Airport's debt; the expected terms of the 2024 Bonds, as provided by the Authority's Financial Advisor; the Airport's outstanding financial obligations; the capacity of the Airport's existing and planned facilities to accommodate current and anticipated demand; certain projects included in the Airport's 2012 Master Plan Update, as revised by the 2012 Master Plan Update – 2016 Addendum (collectively, the 2012 Master Plan); certain projects included in the Airport's ongoing 2022 Master Plan Update (the 2022 Master Plan); and certain projects included in the Capital Improvement Program (CIP), collectively referred to as the Capital Program, as well as the Airline Rates, Fees, and Charges Resolution (Rates Resolution) adopted on September 3, 2020, and proposed funding sources, including the potential for additional borrowing beyond the 2024 Bonds.

To develop the *pro forma* analysis of the Airport's financial performance, Ricondo reviewed key provisions of the agreements that establish the business arrangements between the Authority and its various tenants, including the commercial airlines serving the Airport. The Airport generates most of its Operating Revenues from commercial airlines through airfield usage fees and various rentals for terminal and other spaces pursuant to its Rates Resolution; fees and rents assessed for concessionaires providing various goods and services to passengers and other users of Airport facilities; fees and rents assessed for rental car operators serving the Airport; and fees for public parking and commercial vehicle access to Airport facilities. These revenues are in large measure driven by passenger demand for air service from the Airport, which is a function of national and local economic conditions, and the ability and willingness of the commercial airlines to supply service at a level commensurate with this demand. Thus, Ricondo reviewed the historical relationships between economic activity and demand for air service, the airlines' provision of air service, and the financial performance of the Airport. Based on this historical review, Ricondo developed assumptions regarding these factors and relationships through the Projection Period, which provide the basis for the forecasts of passenger activity and projections of financial performance presented in this Report. The following sections summarize Ricondo's assumptions, projections, and findings that are detailed in the body of the Report, which should be read in its entirety.

2024 BONDS

The Authority has issued the Tampa International Airport Revenue Refunding Bonds, 2024 Series A (AMT), (the 2024A Bonds) to defease all of the $88.5 million outstanding Tampa International Airport Senior Revenue Bonds, 2015 Series A. Proceeds from the 2024A Bonds will also be used to pay certain costs of issuance incurred in connection with the issuance of the 2024A Bonds.

The Authority is issuing the 2024 Bonds to fund, in whole or in part, the 2024 Projects (defined herein and described in detail in Section 3.3 of this Report), which comprise Airside D (2012 Master Plan Phase III project) and certain CIP projects. Proceeds from the 2024 Bonds will also be used to fund a deposit in the common senior Reserve Account, fund capitalized interest on a portion of the 2024 Bonds, and pay certain costs of issuance incurred in connection with the issuance of the 2024 Bonds.

Unless otherwise defined herein, all capitalized terms in this Report are used as defined in the Official Statement, the Trust Agreement, or the Subordinated Trust Agreement.

Table S-1 reflects the 2024 Bonds funding plan for the 2024 Projects.

TABLE S-1 2024 BONDS FUNDING PLAN

SERIES DESIGNATION	PROJECTS TO BE FUNDED	TOTAL 2024 BONDS PROJECT FUNDING AMOUNT
2024 Bonds, Series B (AMT)	Airside D	$345,033,310
	Airside D Shuttle	$34,231,640
	Airside E Running Surface	$19,874,000
	Asphalt Overlay – Runway 10-28	$15,000,000
	Baggage System Design	$10,861,050
Total		**$425,000,000**

SOURCE: Hillsborough County Aviation Authority, July 2024.

TAMPA INTERNATIONAL AIRPORT SYSTEM AND AIRPORT CAPITAL PROGRAM

In addition to the Airport, the Authority operates three general aviation reliever airports, Peter O. Knight, Plant City, and Tampa Executive Airports, collectively with the Airport, known as the Airport System. The Federal Aviation Administration (FAA) classifies TPA as a large hub.

Chapter 2 reviews the existing Airport facilities and Chapter 3 summarizes the Capital Program, including Master Plan and CIP projects; anticipated Capital Program funding sources; and details for the 2024 Projects.

The 2012 Airport Master Plan was undertaken in three phases:

- Phase I: Decongestion
- Phase II: Enabling
- Phase III: Expansion

Phase I of the Master Plan projects was completed in 2018. A portion of the projects within Master Plan Phase II was funded in part with the Airport's Senior 2018 Bonds, Series E; Senior 2018 Bonds, Series F; and Subordinated 2018 Bonds. The remaining portion of Master Plan Phase II was funded in part with the 2022 Bonds. These projects are described in detail in Section 3.3.

The final phase of the 2012 Master Plan includes construction of the Airside D facility. It is currently anticipated that the Airside D construction will be completed by FY 2028, and it is expected to be funded with proceeds from the 2024 Bonds, a future debt issuance (including Passenger Facility Charge [PFC]–backed debt), Florida Department of Transportation (FDOT) funding, PFC pay-go funding, and grant funds from the Infrastructure Investment and Jobs Act of 2021 (IIJA).

The Authority's Capital Program anticipated through the Projection Period of this Report totals approximately $3.5 billion, comprising approximately $1.8 billion of the 2024 Projects, $456.2 million of 2022 Master Plan projects, and approximately $1.3 billion of future CIP projects, as summarized in **Table S-2**.

TABLE S-2 CAPITAL PROGRAM SUMMARY – FISCAL YEAR 2025 TO FISCAL YEAR 2030

(In Millions)

CAPITAL PROJECTS	2024 BONDS	FUTURE BONDS	FUTURE PFC BONDS	OTHER FUNDING	TOTAL COST
2024 Projects					
Airside D	$345.0	$428.0	$123.0	$523.8	$1,419.9
CIP Projects	$80.0	$286.8	$-	$4.1	$370.9
Total 2024 Projects	**$425.0**	**$714.8**	**$123.0**	**$527.9**	**$1,790.8**
2022 Master Plan Projects	$-	$400.8	$-	$55.4	$456.2
Future CIP Projects	$-	$579.2	$-	$710.1	$1,289.3
Total Capital Program	**$425.0**	**$1,694.8**	**$123.0**	**$1,293.5**	**$3,536.3**

NOTES:
CIP – Capital Improvement Program
PFC – Passenger Facility Charge
Totals may not add due to rounding.
SOURCE: Hillsborough County Aviation Authority, July 2024.

Airport Capital Program funding assumptions reflected in the financial analysis in this Report are described in Section 3.4, and the resulting financial impacts are discussed in Chapter 6.

DEMOGRAPHIC AND ECONOMIC ANALYSIS

The demand for air transportation at an airport is, to a large degree, dependent upon the demographic and economic characteristics of the geographical area surrounding the airport (an airport's "air trade area"). This relationship is particularly true for origin and destination (O&D) passenger traffic, meaning passengers that either begin or end their trips at an airport, rather than connecting through an airport to other destinations. O&D passenger traffic has historically been the largest component of demand at the Airport. Therefore, the major portion of demand for air travel at the Airport is influenced more by the local socioeconomic characteristics of the area served than by individual air carrier decisions regarding service patterns in support of connecting activity.

Chapter 4 presents data indicating the Airport's Air Trade Area, defined in this Report to consist of the Tampa–St. Petersburg–Clearwater, Florida, Metropolitan Statistical Area (Tampa MSA), has an economic base capable of supporting increased demand for air travel during the Projection Period.

Table S-3 summarizes the demographic and economic data described in Chapter 4, while key findings include the following:

TABLE S-3 SUMMARY OF DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

	HISTORICAL CY 2012	HISTORICAL CY 2022[1,2]	PROJECTED CY 2030	CAGR CY 2012 – CY 2022[2]	CAGR CY 2022[2] – CY 2030
Population[2]					
Air Trade Area	2,832,787	3,291,341	3,583,791	1.5%	1.1%
United States	314,371,456	333,271,411	350,794,062	0.6%	0.6%
Employment[3]					
Air Trade Area	1,516,838	2,090,107	2,336,393	3.3%	1.4%
United States	178,979,685	212,442,020	235,602,509	1.7%	1.3%
Per Capita Personal Income[4]					
Air Trade Area	$42,733	$51,774	$59,819	1.9%	1.8%
United States	$46,791	$56,421	$64,732	1.9%	1.7%
Personal Income[5]					
Air Trade Area	$121,054	$170,405	$214,379	3.5%	2.9%
United States	$14,709,786	$18,803,588	$22,707,644	2.5%	2.4%
GDP/GRP[5]					
Air Trade Area	$128,319	$182,804	$219,186	3.6%	2.3%
United States	$17,074,008	$21,788,014	$25,999,436	2.5%	2.2%
	HISTORICAL CY 2012	HISTORICAL CY 2022	APRIL 2024[3]		
Unemployment Rates[6]					
Air Trade Area	8.5%	2.8%	3.3%		
United States	8.1%	3.6%	3.9%		
Variance	*0.4%*	*-0.8%*	*-0.6%*		

NOTES:
CAGR – Compound Annual Growth Rate
CY – Calendar Year
1 CY 2022 is the last year of historical data in the Woods & Poole Economics, Inc. (Woods & Poole) database and is the basis for Woods & Poole's projections. Therefore, it is the last year of historical data included in this table. More recent data may be available from other sources.
2 Population data are from CY 2022—the most current historical population data in the Woods & Poole database.
3 Employment data include wage and salary workers, proprietors, private household employees, and miscellaneous workers. Establishment data from the US Department of Commerce, Bureau of Economic Analysis were used in this table, which differ from the employment data in Table 4-7 due to differing sources, definitions, and methodologies.
4 Figures displayed in 2017 dollars.
5 Figures displayed in millions of 2017 dollars.
6 Monthly unemployment data in this table were seasonally adjusted.
SOURCES: Woods & Poole Economics, Inc., *2024 Complete Economic and Demographic Data Source (CEDDS)*, July 2024 (population, income, gross domestic product / gross regional product); US Department of Labor, Bureau of Labor Statistics, May 2024 (unemployment).

- The Airport primarily serves the four-county Air Trade Area,[1] which had a total population of approximately 3.3 million residents in Calendar Year (CY) 2022. Population growth in the Air Trade Area between CY 2002 and CY 2022 was faster than the population growth experienced by the United States and comparable to the population growth experienced by Florida, and this trend is expected to continue throughout the Projection Period. Typically, a positive correlation exists between population growth in a local area and air travel demand.

[1] The four Florida counties included in the Air Trade Area are Hernando, Hillsborough, Pasco, and Pinellas.

- According to the US Bureau of Labor Statistics, the Air Trade Area's unemployment rates have remained at or below the national level since CY 2013. In April 2024, the Air Trade Area's seasonally adjusted unemployment rate was approximately 3.3 percent, which was comparable to the unemployment rate experienced in Florida statewide and below the national unemployment rate during this same period (3.3 percent and 3.9 percent, respectively).
- Approximately 30 private or public entities with 4,500 or more employees are in the Air Trade Area. The largest employer in the area is State of Florida with over 34,000 local employees, followed by MacDill Air Force Base (31,000 employees); BayCare Health System (29,402 employees); Publix Super Markets Inc. (27,000 employees); and the Hillsborough County School District (23,750 employees). The City of Tampa describes the Air Trade Area's economy as the following: "founded on a diverse base that includes tourism, agriculture, construction, finance, health care, government, technology, and the Port of Tampa."[2]
- As discussed in Chapter 4, the Air Trade Area is projected to outperform the United States over the Projection Period on a variety of demographic and economic indicators shown to have a correlation with air travel demand.

PASSENGER DEMAND AND AIR SERVICE ANALYSIS

As presented in Chapter 5 of this Report, the Airport has had the benefit of a growing passenger base, served by airlines offering scheduled service to hub airports throughout the United States and several foreign-flag airlines operating international service. In addition to this service, Southwest Airlines, Breeze Airways, and ultra-low-cost-carriers (ULCCs) Spirit Airlines and Frontier Airlines offer point-to-point service to other large-, medium-, and small-hub airports throughout the United States. Silver Airways operates regional service to non-hub airports in Florida and the Bahamas. As of May 2024, 23 airlines provided or are scheduled to provide scheduled passenger service at the Airport in FY 2024. Of these airlines, 8 operate domestic only service, 11 operate international only service, and 4 serve both domestic and international destinations. Also, 2 all-cargo airlines have provided cargo service at the Airport during FY 2024, and 3 airlines have provided regular passenger charters to Cuba. The FAA classifies TPA as a large-hub airport based on its percentage of nationwide enplaned passengers; the Airport served approximately 12 million enplaned passengers in FY 2023. Other key points regarding historical and forecast aviation activity at the Airport include the following:

- Between FY 2014 and FY 2023, the Airport experienced a 3.2 percent compound annual growth rate (CAGR) in enplaned passengers, compared to a 2.2 percent CAGR at airports in the United States.
- The Airport's enplaned passenger volume recovery from the effects of the COVID-19 pandemic and subsequent decrease in passenger travel demand has outpaced the national average. FY 2023 enplaned passengers at the Airport represented 104.3 percent of FY 2019 enplaned passengers, whereas FY 2023 total US enplaned passengers represented 99.3 percent of FY 2019 enplaned passengers.
- As of May 2024, the airlines serving the Airport operated approximately 41,500 daily departing seats and approximately 250 daily departures. Nonstop service[3] is provided to 84 domestic destinations and 20 international destinations. Passenger demand is sufficient in many markets to support multiple airlines, with 54 routes scheduled to be served by multiple airlines in FY 2024.

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[2] City of Tampa, "About Us," https://www.tampa.gov/about-us (accessed April 22, 2024).

[3] This includes destinations served seasonally.

- Southwest Airlines (Southwest) represents the largest airline at the Airport based on enplaned passenger volumes and landed weight. During the period from FY 2014 to FY 2024, 13 airlines consistently provided seasonal or year-round service.

Forecasts of activity were developed considering the local and national socioeconomic and demographic factors discussed in Chapter 4 of this Report, historical domestic and international O&D passenger demand segments, short-term published airline schedules and current trends in industry demand, and the role of the Airport within the route networks of the airlines operating at the Airport. Total enplaned passengers at the Airport are forecast to increase from 11,560,792 in FY 2023 to 14,396,239 in FY 2030, a CAGR of 3.2 percent.

Table S-4 summarizes the historical and forecast enplaned passengers at the Airport through the Projection Period.

TABLE S-4 HISTORICAL AND FORECAST ENPLANED PASSENGERS

(Fiscal Year Ended September 30)

FISCAL YEAR	DOMESTIC ENPLANED PASSENGERS	INTERNATIONAL ENPLANED PASSENGERS	TOTAL ENPLANED PASSENGERS	ANNUAL GROWTH
Historical				
2014	8,381,339	292,408	8,673,747	2.1%
2015	8,924,246	339,090	9,263,336	6.8%
2016	9,067,888	417,991	9,485,879	2.4%
2017	9,201,486	436,584	9,638,070	1.6%
2018	10,035,679	484,873	10,520,552	9.2%
2019	10,510,485	574,805	11,085,290	5.4%
2020	6,400,465	280,598	6,681,063	-39.7%
2021	7,672,647	44,517	7,717,164	15.8%
2022	10,333,795	355,036	10,688,831	38.5%
2023	10,983,516	577,276	11,560,792	8.2%
Forecast				
2024	12,036,742	683,430	12,720,172	10.0%
2025	12,285,336	710,735	12,996,070	2.2%
2026	12,533,886	737,963	13,271,849	2.1%
2027	12,784,186	765,313	13,549,499	2.1%
2028	13,036,365	792,792	13,829,157	2.1%
2029	13,290,865	820,454	14,111,319	2.0%
2030	13,547,928	848,311	14,396,239	2.0%
Compound Annual Growth Rate				
2014 – 2019	4.6%	14.5%	5.0%	
2014 – 2023	3.0%	7.9%	3.2%	
2023 – 2030	3.0%	5.7%	3.2%	

SOURCES: Hillsborough County Aviation Authority, April 2024 (historical data); Ricondo & Associates, Inc., April 2024 (forecast).

FINANCIAL ANALYSIS

Chapter 6 of this Report presents the analysis undertaken by Ricondo to demonstrate the ability of the Authority to comply with the requirements of the Trust Agreement and the Subordinated Trust Agreement on a *pro forma* basis in each year of the Projection Period based on the assumptions regarding the planned issuance of the 2024 Bonds.

The financial analysis presented in Chapter 6 of this Report incorporates the impacts of the funding and completion of Airside D and certain CIP projects (the 2024 Projects), future 2022 Master Plan projects, and the remaining FY 2025 through FY 2030 CIP projects, which are not included in the 2024 Projects.

Investment Service (which generally includes debt service, debt service coverage, and amortization of, and interest on, Authority funds expended on capital projects) associated with the funding of the 2024 Projects and certain other Capital Program projects through FY 2030, along with incremental Operation and Maintenance (O&M) Expenditures and revenues resulting from the completion of those projects, are reflected in the financial analysis included in this Report and discussed in Chapter 6.

Three federal grants have been issued to airports to offset the effects of the COVID-19 pandemic and the resulting decrease in passenger activity. These grants are the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and American Rescue Plan Act of 2021 (ARPA), together referred to as the COVID-19 relief funding. In total, the Airport has received approximately $174.5 million in COVID-19 relief funding that has been used to offset O&M Expenditures. The Authority is estimated to receive approximately $112.7 million in IIJA funding over the course of the IIJA program, with a total of approximately $86.7 million in IIJA funding assumed to be applied to the Airside D project.

Effective October 1, 2020, the Authority transitioned to a rates-by-resolution rate-setting model after the expiration of the previous Airline Agreement on September 30, 2020. In developing the financial projections presented herein, a continuation of the rate-setting methodology set forth in the Rates Resolution was assumed for the entirety of the Projection Period. It is also assumed, in this Report, that the current airlines that have signed a Space Rental Agreement will continue to be signatory under the Rates Resolution and the airlines that have not signed a Space Rental Agreement will remain non-signatory through the Projection Period. However, both signatory and non-signatory revenues are included in the Report.

Based on the analysis in this Report and the financial projections presented in Chapter 6, Ricondo is of the opinion that the Net Revenues generated by the Airport in each year of the Projection Period will be sufficient to comply with the Additional Bonds Test and the Rate Covenant established in the Trust Agreement, and that the Subordinated Revenues and the Subordinated PFC Revenues will be sufficient to comply with the Additional Bonds Test and Rate Covenant established in the Subordinated Trust Agreement.

Ricondo is also of the opinion that the Airport's cost per enplaned passenger will remain comparable to other large-hub airports based on the expectation that these fees will not deter forecast demand for air traffic at the Airport as airlines continue to deploy capacity to airports based on available resources. The underlying strength of air traffic demand at the Airport is based on the following combination of factors, which are not affected by Airport rates and charges:

- large population and strong economic base
- attractive geographical location
- need for capital projects that enable growth

Results of the financial analysis presented in this Report can be summarized as follows:

- O&M Expenditures are projected to increase based on the type of expense, incremental increases associated with the completion of capital projects, and expectations of future inflation rates, with total O&M Expenditures projected to increase from approximately $193.7 million in FY 2024 Budget to approximately $290.9 million in FY 2030, reflecting a CAGR of 7.0 percent.

- Non-Airline Revenues, including all revenues generated for the Airport except for those revenues generated from the Rates Resolution, including interest income and excluding Customer Facility Charge (CFC) Revenues and Transportation Facility Charge (TFC) Revenues (with the exception of CFC Revenues paid to the Authority for prior rental car projects and annual Revenue Recovery to offset land rents and counter rental rents lost due to the opening of the consolidated rental car center (RCC), are projected to increase from approximately $269.8 million in FY 2024 Budget to approximately $342.7 million in FY 2030, reflecting a CAGR of 4.1 percent.
- The Authority's total annual debt service (including projected debt service on the 2024 Bonds and future bonds assumed to be issued to fund remaining FY 2025 through FY 2030 CIP projects) to be paid from Net Revenues is projected to be approximately $92.9 million in FY 2024 Budget, then increase throughout the Projection Period to $246.1 million in FY 2030.
- Airline revenues calculated based on the terms of the Rates Resolution are projected to increase from approximately $139.3 million in FY 2024 to approximately 316.4 million in FY 2030. The increase in airline revenues is primarily attributed to debt service payable on the 2024 Bonds and future bonds, expense and revenue impacts associated with certain CIP projects, and inflationary increases in O&M Expenses included in the airline rate requirements.
- The Airport's estimated average airline cost per enplaned passenger resulting from the airline revenues calculated based on the terms of the Resolution is projected to increase from $10.35 in FY 2024 to $21.44 in FY 2030.
- Calculated pursuant to the Trust Agreement, Senior Lien Bonds debt service coverage is projected to be 2.57x in FY 2025, the first year of debt service on the 2024 Bonds, and is expected to exceed the 1.25x debt service coverage requirement established in the Trust Agreement in each year of the Projection Period, ranging between 1.78x and 3.37x.
- Calculated pursuant to the Subordinated Trust Agreement, Subordinated Lien Bonds debt service coverage is projected to exceed the 1.25x debt service coverage requirement in each year of the Projection Period, ranging between 5.38x and 6.80x.
- Calculated pursuant to the Subordinated Trust Agreement, aggregate debt service coverage on all Senior Bonds and Subordinated Bonds is projected to exceed the 1.15x debt service coverage requirement in each year of the Projection Period, ranging between 1.74x and 2.83x.

1. THE 2024 BONDS

1.1 PLAN OF FINANCE

The Authority has issued the 2024A Bonds to defease all of the $88.5 million outstanding Tampa International Airport Senior Revenue Bonds, 2015 Series A. Proceeds from the 2024A Bonds will also be used to pay certain costs of issuance incurred in connection with the issuance of the 2024A Bonds.

The Authority is issuing the 2024 Bonds to fund, in whole or in part, Airside D and certain CIP projects. These projects, described in detail in Section 3.3 of this Report, are collectively referred to herein as the 2024 Projects.

Additionally, proceeds from the Senior 2024 Bonds will be used to fund deposits in the common Senior Reserve Account, fund capitalized interest on a portion of the Senior 2024 Bonds, and pay certain costs of issuance incurred in connection with the issuance of the Senior 2024 Bonds.

Unless otherwise defined herein, all capitalized terms in this Report are used as defined in the Official Statement and the Trust Agreement. **Table 1-1** reflects the 2024 Bonds funding plan.

TABLE 1-1 2024 BONDS FUNDING PLAN

SERIES DESIGNATION	PROJECTS TO BE FUNDED	TOTAL 2024 BONDS PROJECT FUNDING AMOUNT
2024 Bonds, Series B (AMT)	Airside D	$345,033,310
	Airside D Shuttle	$34,231,640
	Airside E Running Surface	$19,874,000
	Asphalt Overlay – Runway 10-28	$15,000,000
	Baggage System Design	$10,861,050
Total		**$425,000,000**

SOURCE: Hillsborough County Aviation Authority, July 2024.

This chapter describes the Senior 2024 Bonds and key provisions of the Trust Agreement.

1.1.1 THE 2024 BONDS

Table 1-2 presents the estimated sources and uses for the 2024 Bonds.

The 2024 Bonds are being issued pursuant to provisions of the Authority's codified and restated Trust Agreement, effective on and after March 9, 2022, as supplemented and amended from time to time (the Current Trust Agreement and, together with the 2024 Supplemental Trust Agreement referred to in this Report, collectively, the Trust Agreement). The 2024 Supplemental Trust Agreement is to become effective upon the issuance of the 2024 Bonds. The Authority adopted Resolution 2024-96 on August 1, 2024, authorizing the issuance of the 2024 Bonds and a 2024 Supplemental Trust Agreement related thereto (the 2024 Supplemental Trust Agreement).

TABLE 1-2 2024 BONDS SOURCES AND USES

	SERIES B (AMT)
Sources	
Par Amount of Bonds	$544,615
Net Original Issue Premium/(Discount)	$11,173
Total Sources of Funds at Closing	**$555,788**
Uses	
Senior Construction Account Deposit	$425,000
Capitalized Interest Deposit	$89,578
Common Senior Reserve Account Deposit	$37,938
Cost of Issuance and Underwriter's Discount	$3,273
Total Uses of Funds at Closing	**$555,788**

NOTES:
In thousands
Totals may not add due to rounding.
SOURCE: Frasca & Associates, LLC, July 2024.

For purposes of the financial analysis in this Report, the Authority's Financial Advisor made the following assumptions for the 2024 Bonds, including interest rates based on market rates as of June 18, 2024, plus an additional 50 basis point cushion, as shown in **Table 1-3**.

TABLE 1-3 2024 BONDS ASSUMPTIONS

	2024 BONDS
First Maturity Date	10/1/2049
Last Maturity Date	10/1/2054
Average Life	20.0 years
True Interest Cost	5.06%

SOURCE: Frasca & Associates, LLC, July 2024.

1.1.2 SENIOR TRUST AGREEMENT

The Trust Agreement authorizes the Authority to issue Additional Bonds or other financing obligations to fund Airport projects, including additions, extensions, and improvements to the Airport System. The requirements of the Trust Agreement were used in the preparation of this Report. Several key provisions of the Trust Agreement are described in the following subsections.

1.1.2.1 REVENUES

Revenues are defined to mean all rates, fees, rentals, or other charges or income received by the Authority or accrued to the Authority from the operation of the Airport System, Qualified hedge receipts,[4] and Available PFC[5] Revenues until released from the pledge as provided in the Trust Agreement. Revenues do not include gifts, grants, *ad valorem* taxes, if any, or moneys paid to the Authority by the City of Tampa or Hillsborough County; moneys derived by the Authority from Special Purpose Facilities (except ground rentals); or any other moneys not derived from the operation of the Airport. In general, Available PFC Revenues are available only for the payment of debt service on PFC Bonds (currently only Subordinated Bonds). Revenues do not include (i) CFCs and TFCs imposed by the Authority on on-Airport car rental concessionaires and off-Airport car rental concessionaires, respectively, and (ii) certain payments made by car rental concessionaires to enable the Authority to comply with its Rate Covenant entered into in connection with the issuance of standalone CFC Bonds, except to the extent the Authority voluntarily deposits any such amounts into the Revenue Fund in applicable FYs in accordance with the terms of the indenture under which the standalone CFC Bonds are issued.

1.1.2.2 ADDITIONAL BONDS

The Trust Agreement permits the Authority to issue Additional Bonds for the purpose of constructing or acquiring additions, extensions, and improvements to the Airport System, upon compliance with the provisions of the Trust Agreement. For Additional Bonds, either of the following is required:

(x) A statement signed by the Chief Executive Officer or Executive Vice President of Finance and Procurement, or equivalent officer, of the Authority to the effect that the Authority's Revenues for the last FY preceding the issuance of such Additional Bonds for which audited statements are available (provided that the last day of the latest audited FY falls within the 24-month period immediately preceding the issuance of such Additional Bonds), were not less than the sum of (i) all amounts required to be deposited in the O&M Fund, the Reserve Fund, including in each case all accounts therein, and any funds required to be set aside for payment of subordinated indebtedness in such FY, plus (ii) 125 percent of the Maximum Bond Service Requirement in any succeeding FY on account of the Bonds of each Series then outstanding (including the Additional Bonds proposed to be issued but excluding those outstanding Bonds to be defeased by the issuance of such Additional Bonds); or

(y) A statement of the Airport Consultant that, in its opinion, the Revenues to be derived from the Airport System during the FY in which such Additional Bonds are issued and for each FY thereafter through the Period of Review, taking into account, among other factors, increases in rates, fees, rentals, and charges, shall not be less than the sum of (i) all amounts required to be deposited into the O&M Fund and the Reserve Fund, including in each case all accounts therein, and any funds required to be set aside for the payment of subordinated indebtedness during the Period of Review, plus (ii) 125 percent of the Bond Service Requirement in each such corresponding FY during the Period of Review on account of the Bonds of each Series then outstanding (including the Additional Bonds proposed to be issued but excluding those outstanding Bonds to be defeased by the issuance of such Additional Bonds).[6]

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[4] The Authority has no outstanding Swaps.

[5] PFCs refer to the PFCs authorized to be charged by the Authority pursuant to the Aviation Safety and Capacity Expansion Act of 1990 (the PFC Act) and Title 14 Code of Federal Regulations Part 158 (CFR Part 158), and any other regulation issued with respect to the PFC Act, the imposition and use of which have been approved by the FAA pursuant to the Records of Decision or Final Agency Decision of the FAA.

[6] In connection with the issuance of the 2024 Bonds as Additional Bonds, the Airport Consultant will provide a statement required by this subparagraph (y). For purposes of this test, Available PFC Revenues will not be included. See Section 1.1.3.3.

The Period of Review shall be that period beginning on the first day of the FY in which such Additional Bonds are issued by the Authority and ending on the last day of the FY during which either of the following two events shall occur: (i) the fifth anniversary of the date of issuance of such Additional Bonds or (ii) the third anniversary of the later to occur on the scheduled completion date of the project to be financed with proceeds of such Additional Bonds or the date on which capitalized interest with respect to such project has been exhausted, whichever date described in clause (i) or clause (ii) is later.

Moneys remaining in the Surplus Fund at the end of any FY that the Authority elects to redeposit into the Revenue Fund in the following FY may be considered as Revenues in the FY in which they are, or are projected to be, so redeposited; provided that without regard to the use of such funds, the Authority shall have collected, or shall be projected to collect, as the case may be, sufficient rates and charges under its Rate Covenant so that the actual or projected Revenues, as the case may be, for the FY or years in question, were, or are projected to be, at least sufficient to pay 100 percent of the yearly deposit requirements into the O&M Fund, the Sinking Fund, the Reserve Fund, and subordinated indebtedness accounts, without regard to carry over amounts from the Surplus Fund.

The Bond Service Requirement means for a given Bond Year the remainder after subtracting any accrued and capitalized interest for that year that has been deposited into the Interest Account in the Sinking Fund or separate subaccounts in the Construction Fund for that purpose, from the sum of: (1) The amount required to pay the interest coming due on Bonds during that Bond Year; (2) The amount required to pay the principal of Serial Bonds in that Bond Year, and the principal of Term Bonds maturing in that Bond Year that are not included in the Sinking Fund Installments for such Term Bonds; (3) The Sinking Fund Installments for all series of Term Bonds for that Bond Year; and (4) The premium, if any, payable on all Bonds required to be redeemed in that Bond Year in satisfaction of the Sinking Fund Installment.

If Variable Rate Bonds are then Outstanding, the interest rate on such Bonds for the purpose of determining the Bond Service Requirement shall be calculated pursuant to the provisions included in the definition of Debt Service Requirement under the Senior Trust Agreement. No Variable Rate Bonds are currently outstanding.

The Maximum Bond Service Requirement means, as of any particular date of calculation, the largest Bond Service Requirement for any remaining Bond Year, except that with respect to any Bonds for which Sinking Fund Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Sinking Fund Installments to be made in prior Bond Years.

1.1.2.3 AVAILABLE PASSENGER FACILITY CHARGE REVENUES

Available PFC Revenues means (i) with respect to the pledge and deposit requirements under the Trust Agreement, the actual net PFC Revenues collected by the Authority, after all deposit requirements under and with respect to Senior PFC Indebtedness and (ii) for any historical or projected 12-month period relating to compliance with the Additional Bonds parity test under the Trust Agreement or for the purposes of determining compliance with the Rate Covenant under the Trust Agreement, the actual net PFC Revenues collected or projected to be collected by the Authority during such period, less an amount equal to 100 percent of the Maximum Bond Service Requirement on the Senior PFC Indebtedness, if any, Outstanding at the time of such calculation. No such debt is presently outstanding. PFC Revenues may be treated as Available PFC Revenues only to the extent they are then included in the definition of Revenues and are pledged under the Trust Agreement. Available PFC Revenues are junior and subordinate to Senior Lien pledges of PFC Revenues made by the Authority subsequently to secure Senior PFC

Indebtedness.[7] The Authority may cause the Trustee to release its pledge of Available PFC Revenues at any time provided that before the lien is effectively released, the Authority shall have delivered to the Trustee (i) a certificate of the Authority that there are no PFC Bonds outstanding or (ii) (A) a report from the Airport Consultant that the Authority has been in compliance with the Rate Covenant set forth in the Trust Agreement for a period of 24 consecutive months out of the last 36 full calendar months preceding the date of the Report during which all then currently outstanding PFC Bonds have been outstanding, without taking into account any PFC Revenues in the calculation of Revenues and (B) evidence that the release will not, in and of itself, cause any of the national rating agencies then maintaining ratings on the outstanding Bonds to reduce or withdraw their then current underlying or unenhanced ratings on such Bonds.

If Available PFC Revenues are included in determining compliance with the requirements described in Section 1.1.3.2, then the following rules will apply:

(i) The Airport Consultant may assume (a) that the rate of the levy of PFCs constituting a part of the PFC Revenues in effect on the date of issuance of such Series will be in effect for the entire forecast period, and (b) a higher rate to the extent legislation has been enacted to permit an increase in PFCs if the Authority has taken all action required to impose and use such increased charges at the Airport pursuant to such legislation prior to the date of the Airport Consultant's Report;

(ii) The Airport Consultant, in making its forecast, shall assume that the percentage of enplaned passengers subject to PFCs during the forecast period will not exceed the average percentage during the three calendar years immediately preceding the year the report of the Airport Consultant is issued;

(iii) Available PFC Revenues, so long as they are pledged as Revenues under the Trust Agreement, may be taken into account in determining compliance with the requirements of clause (x) of Section 1.1.3.2 in an amount equal to the lesser of (1) the Available PFC Revenues reflected in the statement of the independent certified public accountant and (2) the lowest amount of Available PFC Revenues the Authority estimates, based on its then existing PFC Approvals, will be available during the Period of Review; and

(iv) The amount of Available PFC Revenues included in determining compliance with the requirements described in clauses (x) or (y) of Section 1.1.3.2 shall be limited to Available PFC Revenues in an amount not to exceed 125 percent of the Maximum Bond Service Requirement on the outstanding PFC Bonds, and the PFC Bonds, if any, proposed to be issued, or such lesser amount as may be required under the PFC Act, PFC Regulations, and PFC Approvals as in effect from time to time.

1.1.2.4 RATE COVENANT

The Authority will fix, revise from time to time when necessary, maintain, and collect fees, rates, rentals, and other charges for the use of the products, services, and facilities of the Airport System, or concessions granted in connection therewith, that will always provide Revenues in each FY that will be sufficient to pay, in accordance with provisions of the Trust Agreement, (i) all amounts required to be deposited in the Reserve Fund, the O&M Fund, and the Operating Reserve Account in the Revenue Fund, including in each case all accounts therein, plus (ii) 125 percent of the Bond Service Requirement for such FY. The Authority may include Available PFC Revenues in an

[7] No Senior Lien PFC obligations are currently outstanding.

amount not to exceed 125 percent of the amounts required to be deposited into the Interest Account, Principal Account, and Redemption Account in the Sinking Fund for such year on the outstanding PFC Bonds, or such lesser amount as may be required under the PFC Act, PFC Regulations, and PFC Approvals as in effect from time to time. Currently, no Senior PFC Bonds are outstanding.

For purposes of the Rate Covenant, moneys remaining in the Surplus Fund at the end of any FY that the Authority elects to redeposit into the Revenue Fund in the following FY may be considered as Revenues in the FY in which they are, or are projected to be, so redeposited; provided that without regard to the use of such funds, the Authority shall always establish its rates and charges so that Revenues for the FY or years in question, were, or are projected to be, at least sufficient to pay 100 percent of the yearly deposit requirements into the O&M Fund, the Sinking Fund, the Reserve Fund, and subordinated indebtedness accounts, without regard to carry over amounts from the Surplus Fund.

1.1.2.5 APPLICATION OF REVENUES

Article V of the Trust Agreement creates certain funds and accounts and establishes the principal functions and uses of each fund and account. The requirements of the Trust Agreement and the rate-making methodology adhered to by the Authority were used to develop the estimated application of revenues included in these financial analyses. **Exhibit 1-1** presents the application of revenues as specified in the Trust Agreement.

1.1.3 SUBORDINATED TRUST AGREEMENT

The Subordinated Trust Agreement authorizes the Authority to issue Additional Bonds or other financing obligations to fund Airport projects, including additions, extensions, and improvements to the Airport System, and the refunding of a portion of outstanding debt obligations of the Authority. The requirements of the Subordinated Trust Agreement were used in the preparation of this Report. Several key provisions of the Subordinated Trust Agreement are described in the following subsections. Unless otherwise defined therein, all defined terms in the Subordinated Trust Agreement shall have the same meaning as those terms in the Trust Agreement. Certain provisions of the Subordinated Trust Agreement are presented in the following subsections.

1.1.3.1 SUBORDINATED REVENUES

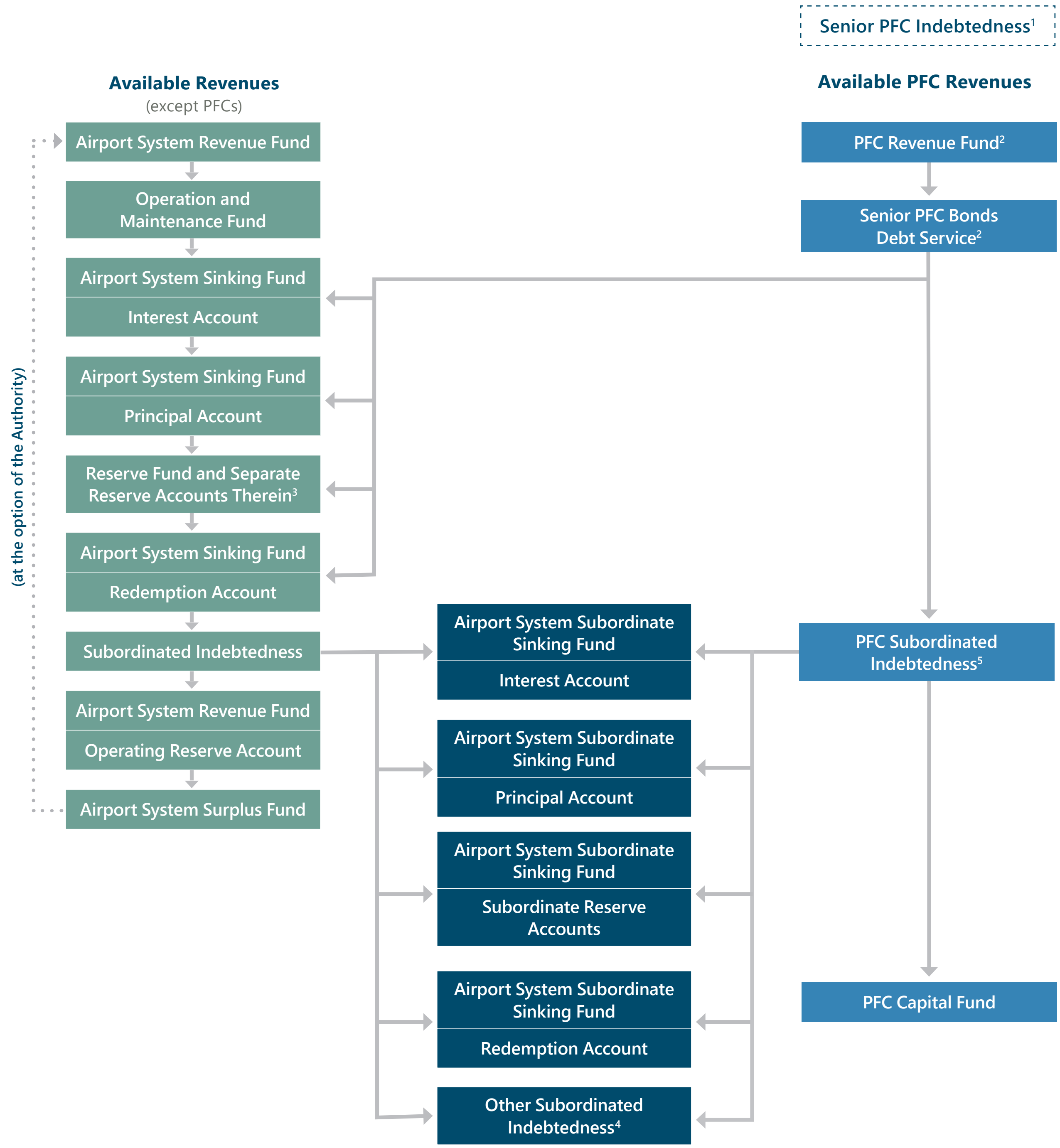
Subordinated Revenues means the funds, if any, that are available for payment of subordinated indebtedness pursuant to paragraph (F) of Section 5.02 of the Senior Trust Agreement.

1.1.3.2 SUBORDINATED PASSENGER FACILITY CHARGE REVENUES

Subordinated PFC Revenues means the Available PFC Revenues, if any, available for payment of subordinated indebtedness and other required deposits pursuant to Section 5.03(C) of the Trust Agreement.

1.1.3.3 PLEDGED REVENUES

Pledged Revenues means the Subordinated Revenues and, to the extent pledged pursuant to a Subordinated Supplemental Trust Agreement, shall include Subordinated PFC Revenues, and any other revenues of the Authority expressly pledged by the Authority to secure the Bonds issued hereunder that are not included in, or have been subsequently excluded from, the definition of Gross Revenues under the Trust Agreement.



NOTES:
1. No such debt is presently outstanding.
2. Available Passenger Facility Charge (PFC) Revenues are required to be deposited into the Interest Account, the Principal Account, and the Redemption Account Under the Senior Trust Agreement in an amount equal to the monthly deposit requirements with respect to the PFC Bonds, and then to the replenishment of any reserve account established for PFC Bonds, and then to the payment of debt service on PFC Subordinated Indebtedness.
3. Deficiencies in the separate reserve accounts established in the Reserve Fund for a particular series of PFC Bonds are funded to the extent required.
4. The Truist Note has a third lien status.
5. Amounts deposited for PFC Subordinated Indebtedness must be applied to debt service on PFC Bonds.

SOURCE: Hillsborough County Aviation Authority, September 2021.

EXHIBIT 1-1

APPLICATION OF REVENUES AS DEFINED IN TRUST AGREEMENT

1.1.3.4 ADDITIONAL BONDS

The Subordinated Trust Agreement permits the Authority to issue Additional Bonds for the purpose of constructing or acquiring additions, extensions, and improvements to the Airport System, and to refund other obligations issued by the Authority, upon compliance with the provisions of the Subordinated Trust Agreement. For Additional Bonds, either of the following is required:

(x) A statement signed by the Chief Financial Officer, or equivalent officer, of the Authority to the effect that: (i) the Authority's Pledged Revenues for any 12 consecutive months within the 18-month period immediately preceding the month in which such Additional Bonds are to be issued (the "Annual Review Period") were not less than 125 percent of the Maximum Bond Service Requirement in any succeeding Bond Year, on account of the Bonds of each Series then Outstanding (including the Additional Bonds proposed to be issued but excluding those outstanding Bonds to be defeased by the issuance of such Additional Bonds; the ("Included Bonds"); (ii) the Authority's Subordinated Revenues for the Annual Review Period selected in clause (i) were not less than 125 percent of the Maximum Bond Service Requirement in any succeeding Bond Year, on account of the Included Bonds (or portions thereof as determined by the Authority) for which the annual debt service is not eligible to be paid from Subordinated PFC Revenues; and (iii) Pledged Revenues in the Annual Review Period were not less than 115 percent of the Bond Service Requirement (as defined in the Senior Trust Agreement with respect to the Senior Bonds) for such period on all Senior Bonds outstanding under the Senior Trust Agreement and on the Included Bonds; or

(y) A statement of the Airport Consultant that in its opinion: (i) the Pledged Revenues during the Bond Year in which such Additional Bonds are issued and for each Bond Year thereafter through the Period of Review, taking into account, among other factors, increases in rates, fees, rentals, and charges, shall not be less than 125 percent of the Bond Service Requirement in each such corresponding Bond Year during the Period of Review, on account of the Included Bonds; (ii) the Subordinated Revenues during the Bond Year in which such Additional Bonds are issued and for each Bond Year thereafter through the Period of Review, taking into account, among other factors, increases in rates, fees, rentals, and charges, shall not be less than 125 percent of the Bond Service Requirement in each such corresponding Bond Year during the Period of Review, on account of the Included Bonds (or portions thereof as determined by the Authority) for which the annual debt service is not eligible to be paid from Subordinated PFC Revenues; and (iii) Pledged Revenues in each corresponding Bond Year during the Period of Review, taking into account, among other factors, increases in rates, fees, rentals, and charges, shall not be less 115 percent of the Bond Service Requirement (as defined in the Senior Trust Agreement with respect to the Senior Bonds) in each such corresponding Bond Year during the Period of Review, on account of all Senior Bonds outstanding under the Senior Trust Agreement and on the Included Bonds.

For purposes of the Subordinated Trust Agreement, the "Period of Review" shall be that period beginning on the first day of the Bond Year in which such Additional Bonds are issued by the Authority and ending on the last day of the Bond Year during which either of the following two events shall occur: (i) the fifth anniversary of the date of issuance of such Additional Bonds or (ii) the third anniversary of the later to occur on the scheduled completion date of the project to be financed with proceeds of such Additional Bonds or the date on which capitalized interest with respect to such project has been exhausted, whichever date described in clause (i) or clause (ii) is later.

For purposes of the requirement previously described, moneys remaining in the Surplus Fund under the Trust Agreement at the end of any Bond Year that the Authority elects to redeposit into the Senior Revenue Fund in the following Bond Year may be considered as Gross Revenues (and thus, to the extent available pursuant to Section 5.02 of the Trust Agreement, "Pledged Revenues" and "Subordinated Revenues" for purposes of this test) in the Bond Year in which they are, or are projected to be, so redeposited; provided that without regard to the use of such funds, the Authority shall have collected, or shall be projected to collect, as the case may be, sufficient rates and charges under its Senior Rate Covenant so that the actual or projected Pledged Revenues, as the case may be, for the Bond Year or years in question, were, or are projected to be, at least sufficient to pay 100 percent of the yearly deposit requirements into the Subordinated Sinking Fund and the Subordinated Reserve Fund, without regard to carry over amounts from the Surplus Fund.

If Available PFC Revenues are included in determining compliance with the requirements previously described, then the following rules apply:

(i) The Airport Consultant may assume (a) that the rate of the levy of PFCs constituting a part of the PFC Revenues in effect on the date of issuance of such Series will be in effect for the entire forecast period, and (b) a higher rate to the extent legislation has been enacted to permit an increase in PFCs if the Authority has taken all action required to impose and use such increased charges at the Airport pursuant to such legislation prior to the date of the Airport Consultant's report;

(ii) The Airport Consultant, in making its forecast, shall assume that the percentage of enplaned passengers subject to PFCs during the forecast period will not exceed the average percentage during the three Bond Years immediately preceding the year the report of the Airport Consultant is issued; and

(iii) Available PFC Revenues, so long as they are pledged as Subordinated Revenues under this Subordinated Trust Agreement, may be taken into account in determining compliance with the requirements of Section 2.07(E)(x), in an amount equal to the lesser of (A) the Available PFC Revenues reflected in the statement of the independent certified public accountant and (B) the lowest amount of Available PFC Revenues the Authority estimates, based on its then existing PFC Approvals, will be available during the Period of Review.

1.1.3.5 RATE COVENANT

The Authority shall, at all times while Bonds are outstanding under the Subordinated Trust Agreement, comply with its obligations under Section 5.01 of the Trust Agreement. In addition, the Authority will fix, revise from time to time when necessary, maintain, and collect such fees, rates, rentals, and other charges for the use of the products, services, and facilities of the Airport System, or concessions granted in connection therewith, that will always satisfy 100 percent of the deposit requirements under the Trust Agreement and that will always provide:

(i) Pledged Revenues in each FY that will be sufficient to pay, in accordance with the provisions of the Subordinated Trust Agreement, 125 percent of the Bond Service Requirement for such FY;

(ii) Subordinated Revenues in each FY that will be sufficient to pay, in accordance with the provisions of the Subordinated Trust Agreement, 125 percent of the Bond Service Requirement on Bonds in such FY, the debt service on which is not eligible to be paid from Subordinated PFC Revenues. The Authority covenants that it shall not permit such fees, rates, rentals, and other charges to be reduced so as to be insufficient to provide Subordinated Revenues for such purposes; and

(iii) Net Revenues in each FY that will be sufficient to pay 115 percent of the Bond Service Requirement (as defined in the Trust Agreement with respect to the Senior Bonds) for such FY on all Senior Bonds outstanding under the Trust Agreement and on all Bonds outstanding under the Subordinated Trust Agreement.

For purposes of this requirement, moneys remaining in the Surplus Fund under the Senior Trust Agreement (other than moneys set aside for the payment of Derivative Non-Scheduled Payments) at the end of any FY that the Authority elects to redeposit into the Revenue Fund under the Senior Trust Agreement in the following FY may be considered as fees, rates, rentals, and other charges in the FY in which they are so redeposited for purpose of satisfying the Rate Covenant previously set forth.

1.1.3.6 APPLICATION OF REVENUES

Article V of the Subordinated Trust Agreement creates certain funds and accounts and establishes the principal functions and uses of each fund and account. The requirements of the Subordinated Trust Agreement and the rate-making methodology adhered to by the Authority were used to develop the estimated application of revenues included in these financial analyses.

2. TAMPA INTERNATIONAL AIRPORT SYSTEM

2.1 TAMPA INTERNATIONAL AIRPORT

In addition to the Airport, the Authority operates three general aviation reliever airports: Peter O. Knight, Plant City, and Tampa Executive Airports. Collectively, the four airports are referred to as the Airport System. The FAA classifies TPA as a large-hub airport.

2.2 AIR TRADE AREA

The geographical area served by an airport is commonly known as the airport's "air trade area." The borders of an airport's air trade area are influenced by the location of other metropolitan areas and their associated airport facilities. For the purposes of this Report, the *primary air trade area* for the Airport consists of the Tampa MSA, as defined by the federal government's Office of Management and Budget. According to the federal government, an MSA is a geographical area with a large population nucleus, along with any adjacent communities that have a high degree of economic and social interaction with that nucleus.[8] The Tampa MSA consists of four counties in Florida: Hernando, Hillsborough (the county in which the Airport is located), Pasco, and Pinellas.

Surrounding Airports Within or Near the Air Trade Area

Based on location, accessibility, and services available at other commercial service airports within nearby service areas, it is recognized that the area served by the Airport extends to a *secondary air trade area*. The secondary air trade area consists of the additional counties of Citrus, DeSoto, Hardee, Manatee, Sarasota, Sumter, and a portion of Polk. The borders of this extended service area are established by the air trade areas of Orlando International Airport (MCO) to the east and Southwest Florida International Airport (RSW; Fort Myers) to the south. Although Sarasota-Bradenton International Airport (SRQ) is located approximately 50 miles south of the Airport, within the Airport's secondary air trade area, a portion of its potential passengers prefer to drive to TPA to take advantage of the more extensive flight selections to major O&D markets. St. Pete–Clearwater International Airport (PIE) is located approximately 12 miles west of the Airport, within the primary air trade area; however, the scheduled passenger service offered there is limited in scope. Most of the passenger service at this airport is provided by leisure-oriented carriers (Allegiant Air and Sun Country Airlines) to markets with smaller populations on a less than daily basis. The level of service offered at these airports is discussed further in Chapter 5 of this Report.

A large percentage of the Airport's local passenger traffic originates from the primary air trade area, and many of the attractions and destinations for nonresident passengers are located in this area. As a result, only socioeconomic data for the primary air trade area (hereinafter referred to as the Air Trade Area) were analyzed in Chapter 4 of this Report, in conjunction with similar data for Florida and the United States. **Exhibit 2-1** presents the geographical location of the Airport's primary and secondary air trade areas, as well as the Airport's proximity to alternative facilities.

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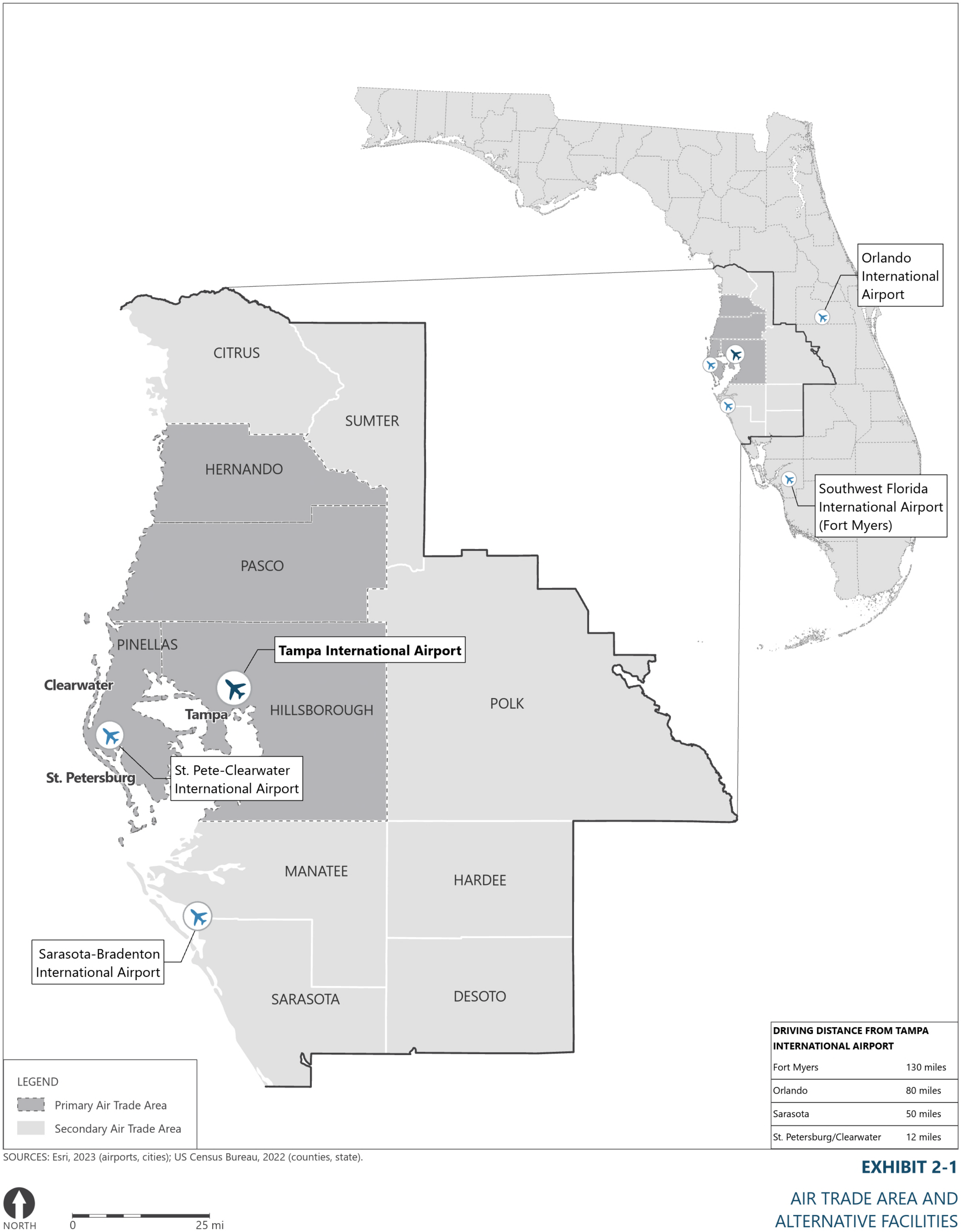
8 An MSA is a geographic entity delineated by the Office of Management and Budget (OMB) for use by federal statistical agencies in collecting, tabulating, and publishing federal statistics. MSAs have at least one urbanized area with a population of 50,000 or more, plus adjacent territory that has a high degree of social and economic integration with the urbanized area, as measured by commuting ties.



DRIVING DISTANCE FROM TAMPA INTERNATIONAL AIRPORT	
Fort Myers	130 miles
Orlando	80 miles
Sarasota	50 miles
St. Petersburg/Clearwater	12 miles

SOURCES: Esri, 2023 (airports, cities); US Census Bureau, 2022 (counties, state).

EXHIBIT 2-1

AIR TRADE AREA AND ALTERNATIVE FACILITIES

2.3 EXISTING AIRPORT FACILITIES

This section describes the existing Airport facilities. **Exhibit 2-2** presents an aerial view of the Airport and identifies key facilities.

2.3.1 AIRFIELD

2.3.1.1 AIRFIELD FACILITIES

The Airport has three runways: an east–west crosswind runway and two parallel, prevailing wind north–south runways. These runways are connected by a fully integrated system of taxiways. The runways are equipped with lighting and electronic aids to permit all-weather continuous operations. One north–south runway (Runway 1L-19R) is 11,002-feet long and 150-feet wide and is equipped with high-intensity edge lighting, centerline lighting, an instrument landing system, and an approach lighting system. The other north–south runway (Runway 1R-19L) is 8,300-feet long and 150-feet wide and is equipped with an instrument landing system, high-intensity edge lighting, and an approach lighting system. The parallel north–south runways are 4,300 feet apart, which permits simultaneous all-weather operations of the runways. The east–west runway (Runway 10-28) is 6,999-feet long and 150-feet wide and is equipped with high-intensity edge lighting. Air traffic operations are served by radar approach control and departure facilities, including airport surveillance radar located at the Airport, all operated by the FAA.

To minimize takeoff delays, the two primary north–south runways are complemented by holding aprons, which permit the bypassing of any delayed aircraft in the departure sequence. All approaches meet the FAA clearance criteria. The runway system is adequate to permit the unrestricted operation of the largest existing commercial aircraft to all North American points and to major European cities, except for the Airbus A380 (A380)—the largest passenger aircraft in the world. Runway 1R-19L is adequate for restricted operation of the A380, although the Authority does not anticipate operation of the A380 at the Airport within the Projection Period of this Report.

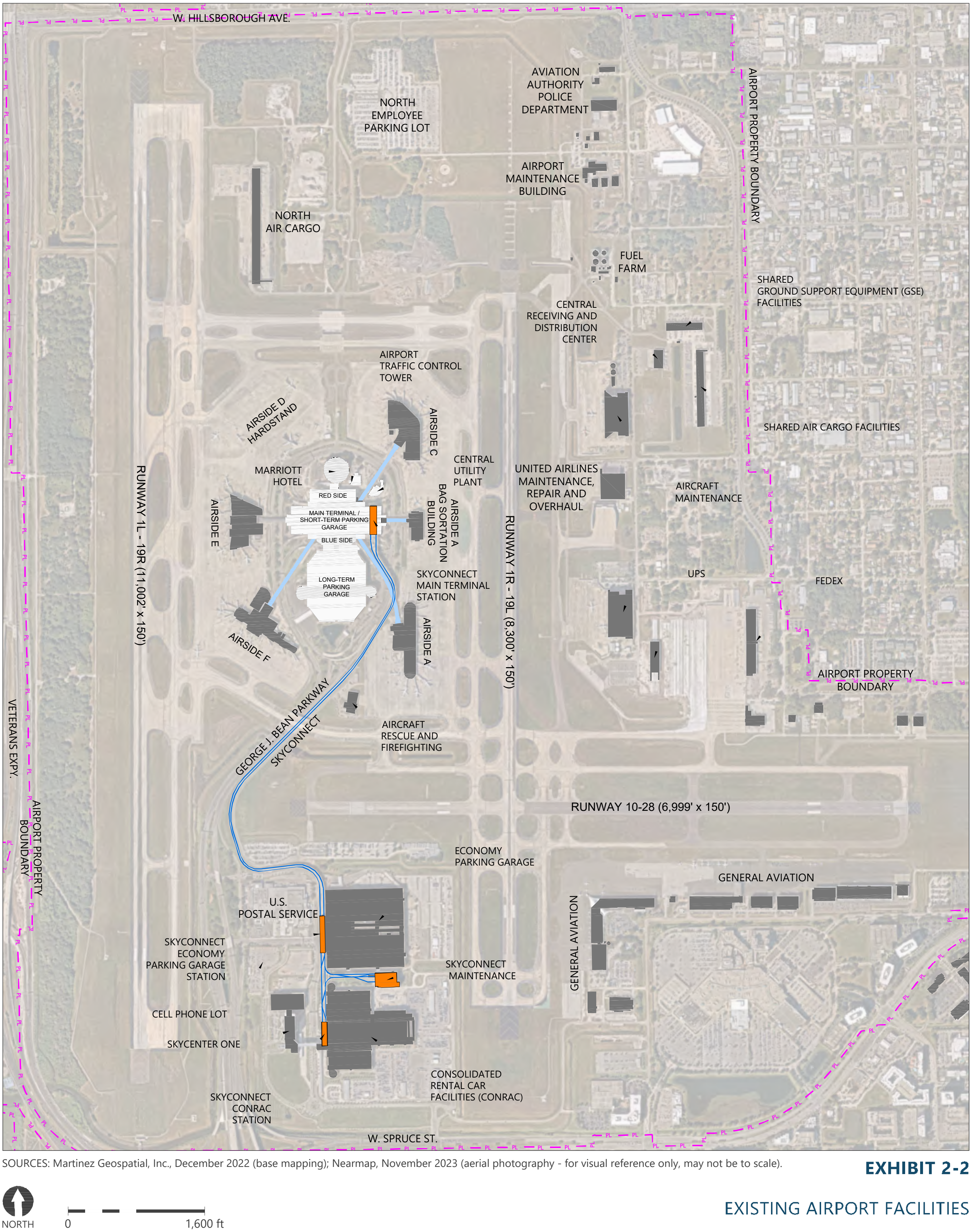
2.3.1.2 AIRCRAFT PARKING APRONS AND TAXIWAYS

Each Airside Building has a concrete aircraft parking apron containing approximately 900,000 square feet of pavement. Additional hardstand parking was constructed on the sites of demolished Airside B and Airside D. Upon construction of Airside D, existing hardstand parking at the Airside D site will be unavailable. The North Remain Overnight (RON) project is in the process of being completed, which will add 12 aircraft parking positions totaling 541,300 square feet. The Airport also has more than 5 miles of 75-foot-wide taxiways and complementary installations, affording ready access from the Airport's three runways to the various aircraft parking aprons. Baggage cart tug roads, including grade separation structures, permit rapid transfer of baggage between each of the aircraft parking aprons and the baggage claim level in the Main Terminal Building.

2.3.2 PASSENGER TERMINAL FACILITIES

The existing passenger terminal facilities at the Airport include a Main Terminal Building, four Airside Buildings connected to the Main Terminal Building by a fully automated elevated Passenger Transfer System (PTS), structured parking facilities, an integrated inline explosive detection outbound baggage system, and a hotel. To guide passengers and traffic, the Authority uses the designations "Red Side" and "Blue Side," which are generally oriented north and south, respectively. Upon entering the Airport via the roadway system, patrons are guided to specific airlines, which are identified as either Red or Blue. This designation continues within the Main Terminal Building, guiding patrons to the proper bag claim areas.

In November 2021, the Authority completed construction of the Express Blue Curbside which provides direct access to the transfer level, allowing departing and inbound passengers without checked baggage to bypass ticketing or baggage claim, respectively. Eight additional express lanes on the “Red Side” are expected to open in early 2025.



SOURCES: Martinez Geospatial, Inc., December 2022 (base mapping); Nearmap, November 2023 (aerial photography - for visual reference only, may not be to scale).

EXHIBIT 2-2

EXISTING AIRPORT FACILITIES

Drawing: P:_PROJECTS\HCAA (TPA)\16070967 - TPA Financial Planning Services\25 Series 2024 GARBs Feasibility\CAD Exhibits\Drawings&Models\AutoCAD\Ex 2.2 Existing Airport Facilities.dwgLayout: 8.5x11P Plotted: Jun 20, 2024, 10:12AM

2.3.2.1 MAIN TERMINAL BUILDING AND SHORT-TERM PARKING

The Main Terminal Building comprises three operating levels: baggage claim and explosive detection screening, ticketing, and passenger transfer and concessions area.

The ground level is devoted to inline explosive detection for outbound baggage, inbound baggage claim facilities and offices, and local surface transportation, including commercial ground transportation facilities at each of the four corners of the Main Terminal Building.

The second level includes airline ticket counters, curbside passenger baggage check-in, and airline support offices. Level 2 of the Main Terminal Building also includes a United Service Organization (USO) facility to provide amenities for US military service personnel.

The third level, the passenger transfer level, includes station lobbies for the PTS connecting to the Airside Buildings, as well as restaurants, retail merchandise concessions, and a connecting arcade to a 300-room hotel. Current concessions offerings in the Main Terminal Building include 14 locations occupying a total of approximately 43,000 square feet.

Above these three operating levels are six levels of short-term automobile parking that provide 3,582 vehicle public parking spaces. Electric vehicle charging stations are available, and SunPass, Florida's electronic toll collection system, can be used to collect parking fees.

2.3.2.2 LONG-TERM PARKING

Terminal Garage

Adjacent to the Main Terminal Building on its south side is an eight-level Terminal Garage, currently with approximately 8,500 vehicle public parking spaces for long-term parking.

The Terminal Garage is connected to the Main Terminal Building by a pedestrian walkway on Level 4. Electric vehicle charging stations and alternative fuel vehicle parking are available, and SunPass can be used to collect parking fees.

Economy Garage and Lot

The Authority also operates the Economy Garage and Lot with approximately 11,300 parking spaces, south of the Main Terminal Building. It is connected to the Main Terminal Building via a 1.4-mile automated people mover (APM), the SkyConnect. The SkyConnect operates an additional station beyond the Economy Garage and Lot at the Airport's RCC. Restroom facilities are located in the lobby of the garage. The Economy Garage and Lot also has an electric vehicle charging station and accepts SunPass, and a 2-megawatt solar array installation is located on the Economy Garage.

Including economy spaces, the Airport currently has over 23,300 public parking spaces, of which approximately 23,100 are garage spaces. The Authority also maintains an employee parking lot located to the north of the Air Cargo Complex, away from the Main Terminal Building, which can accommodate 2,600 automobiles.

2.3.2.3 CONSOLIDATED RENTAL CAR CENTER

The Airport's RCC is an approximately 2.6-million-square-foot building located south of the Main Terminal Building. The RCC is connected to the Main Terminal Building via the SkyConnect. The RCC and SkyConnect allow for the elimination of approximately 4.0 million vehicles from the Main Terminal Building roadway each year, easing congestion and connecting the RCC and Economy Garage and Lot passengers to the region's transportation network. A total of 15 rental car brands operate at the RCC, with vehicle fueling, car washing, and vehicle maintenance services all located within the facility. Passengers can print boarding passes and check bags at the facility.

2.3.2.4 INTEGRATED INLINE EXPLOSIVE DETECTION OUTBOUND BAGGAGE SYSTEM

The Authority uses an outbound baggage system that is a fully automated high-speed conveyor network providing common-use check-in capabilities, baggage tracking, and sorting features.

The outbound baggage system is integrated with automated inline explosion detection system screening equipment, including control rooms, and baggage search/handling areas. High-speed belts transport screened baggage to the baggage makeup areas, which are located at the airsides. Airsides E and C integrate the baggage makeup area within the footprint of the building; Airsides A and F have separate baggage makeup buildings located near the airsides.

2.3.2.5 AIRSIDE BUILDINGS

Four Airside Buildings are currently in operation: Airside Buildings A, C, E, and F. The construction of Airside D is included as part of the future CIP described in Chapter 3. The Airside Buildings contain PTS lobbies, passenger arrival and departure holdrooms, airline operations offices, baggage makeup, and mechanical and electrical facilities spaces. The Airside Buildings each have a different configuration. Fueling is provided at each Airside Building through an underground hydrant fueling system. The Airside Buildings are described in greater detail in the following paragraphs.

Airside Building A has been operational since May 1995. It is a 252,300-square-foot three-story structure with 16 aircraft gates, with 15 aircraft gates capable of handling narrowbody aircraft simultaneously, or 14 narrowbody aircraft with 1 widebody aircraft up to a Boeing 747-400. Commuter facilities, airline ramp operations, and mechanical rooms are on the ground level. The outbound baggage sort facility building for Airside A is on the site of the demolished Airside B. Security screening, passenger gates, concessions, and PTS lobbies are on the second level. A checkpoint expansion project providing 20,000 square feet of additional queuing space is anticipated to be completed in May 2025. The third-level space is provided for airline club areas and office space. Current concessions offerings in Airside A include 15 locations occupying a total of approximately 22,875 square feet.

Airside Building C has been operational since April 2005. It is a 315,000-square-foot two-story structure with 16 aircraft gates capable of handling Boeing 757 (B757) aircraft simultaneously or 5 widebody aircraft, including 2 B747-400 aircraft with 8 B757 aircraft at the same time. Airline ramp operations, other airline space, mechanical/electrical rooms, and the outbound baggage sort facility are on the ground level. Security screening, passenger gates, concessions, and PTS lobbies are on the second level. Current concessions offerings in Airside C include 18 locations occupying a total of approximately 20,500 square feet.

Airside Building E has been operational since October 2002. It is a 289,000-square-foot three-story structure with 13 aircraft gates, with 8 aircraft gates capable of handling B757 aircraft without winglets and 5 gates handling B757 aircraft with winglets simultaneously. Airline ramp operations, other airline space, mechanical/electrical rooms, and the outbound baggage sort facility are on the ground level. Security screening, passenger gates, concessions, a duty-free store, and PTS lobbies are on the second level. As part of a similar project in Airside A, a checkpoint expansion project in Airside E providing 20,000 square feet of additional queuing space is anticipated to be completed in May 2025. The third-level space accommodates an airline club area and office space. Current concessions offerings in Airside E include 13 locations occupying a total of approximately 15,000 square feet.

Airside Building F has been operational since 1987. It is a 229,000-square-foot three-story structure with 14 aircraft gates capable of handling a mix of B757 and A320 aircraft simultaneously or 5 widebody aircraft, including the B747-400 aircraft and a mix of 3 B737 aircraft and 3 A320 aircraft at the same time. US Customs and Border Protection (US CBP) inspection services processing, mechanical/electrical areas, and airline ramp operations are on the ground level. The outbound baggage sort facility is also located on the ground level in a 20,000-square-foot facility directly adjacent to the airside. Security screening, passenger gates, concessions, a duty-free shop, and PTS lobbies are on the second level. The third level provides an airline club area and office space. Current concessions offerings in Airside F include 18 locations occupying a total of approximately 21,000 square feet.

2.3.2.6 ON-AIRPORT TRANSPORTATION SYSTEMS

The Airport contains two independent transportation systems to transport passengers between Airport facilities to allow passengers to efficiently access gates, parking, and RCC areas.

The fully automated elevated PTS connects the Main Terminal Building with each of the Airside Buildings. Each Airside Building is served by four dedicated shuttle vehicles.

The 1.4-mile SkyConnect connects passengers from the Main Terminal Building to the Economy Garage, the Airport's RCC, and the SkyCenter One office building.

2.3.2.7 HOTEL

The on-Airport 300-room hotel, branded as a Marriott, has meeting and conference facilities, 55,000 square feet of office rental space, and parking spaces for 400 cars. The hotel is leased through an agreement with Host of Boston, LTD, which extends through 2043.

2.3.3 ROADWAYS

The 1.5-mile, eight-lane divided George J. Bean Parkway connects the Airport to a traffic interchange, providing direct access to the interstate highway system. A grade-separated traffic interchange was constructed within the terminal parkway system, providing traffic separation between airline passenger terminal traffic and traffic to the regional US Post Office situated at the Airport, adjacent to the entrance parkway.

The Spruce Street / State Road 60 interchange, one of the entrances to the Airport, includes a four-level interchange, and the Courtney Campbell Causeway / State Road 60 interchange includes a three-level directional interchange.

2.3.4 AIR CARGO

Cargo operations at the Airport take place at three separate locations: (1) east Air Cargo and Ground Service Equipment (GSE) facilities, (2) FedEx Corporation (FedEx) building, and (3) north cargo building. A United Parcel Service (UPS) cargo facility will be opening in FY 2024 near the FedEx building.

The Air Cargo and GSE facilities to the east of the Airport are open to 14 tenants. The 112,200-square-foot complex provides specialized facilities and ramp space to support GSE maintenance and air cargo transporting, freight forwarding, handling, warehousing, processing, and distribution of cargo. The facility is currently fully occupied.

FedEx constructed an air cargo service facility at the Airport on a 13-acre site of Airport property, including a cargo building, apron, taxiway extensions, and cargo road improvements. The regional sort facility has the capacity to handle 6,000 packages per hour. Additionally, there are parking spaces for 157 commercial and employee vehicles.

The 113,400-square-foot cargo building on the north side of the Airport, formerly housing cargo operations before the opening of the eastside cargo complex, is currently occupied by Amazon and UPS. In 2017, UPS moved its operations from PIE to TPA. To accommodate growing demand for cargo facilities at the Airport, the Authority is planning an Air Cargo Expansion project as part of the future CIP described in Chapter 3.

2.3.5 GENERAL AVIATION

Two general aviation fixed base operator (FBO) facilities are at the Airport. The first facility, which opened in 1980, is owned by the Authority and is currently managed by Piedmont Hawthorne Aviation, LLC, doing business as Signature Flight Support. The operation provides an avionics shop, maintenance shops, aircraft line service, tie down and storage, aircraft charter, sales center for Signature Flight Support airplanes, and related aviation services. This facility provides 140,000 square feet of hangar storage space and 60,000 square feet of hangar maintenance space. The Authority retains title to all permanent improvements of the hangar building, and the lease with Piedmont Hawthorne Aviation, LLC, is set to expire on October 7, 2031.

The second FBO is Sheltair Aviation, which has been operational since October 2004. Sheltair Aviation's facilities include a 12,000-square-foot terminal building, three storage hangars that are 26,000 square feet each, an additional fourth storage hangar with 32,000 square feet of space, and a maintenance hangar with 26,000 square feet of space, as well as other facilities necessary to provide a full-service FBO serving primarily corporate aviation. In 2022, Sheltair Aviation assumed the lease on a prior tenant's 12,000-square-foot hangar and developed a four-bay hangar of approximately 95,000 square feet. Sheltair Aviation provides generally the same range of services as the Signature Flight Support FBO. The Authority participated in the FBO development by constructing 350,000 square feet of apron and a 61,500-square-foot parking lot with Authority funds. Sheltair Aviation's lease is set to expire on September 29, 2034.

A standalone US CBP facility located east of the Airport serves the needs of general aviation international passengers. The facility is capable of handling up to 30 passengers per hour and their baggage, while meeting the requirements of the US CBP.

2.3.6 OTHER AREAS

On May 6, 2010, H. Lee Moffitt Cancer Center and Research Institute Hospital, Inc., entered into a 20-year lease for the development and operation of an outpatient cancer treatment and imaging center on the site of the former reservations center leased by Continental Airlines.

The Authority owns two large hangar complexes that include a total of 320,000 square feet of hangar bays able to accommodate up to 12 narrowbody aircraft or up to 6 widebody aircraft simultaneously. Both facilities are currently leased to Airborne Maintenance & Engineering Services. In addition, a three-bay 85,000-square-foot maintenance, repair, and overhaul (MRO) hangar was constructed by United Airlines in 2021 for $32 million, which is located east of the Airport. The terms of the lease agreement for use of the United Airlines hangar extend through 2039.

The Authority has long-term master leases with Cousins Properties and Tampa Westshore Associates for approximately 41 acres and 113 acres, respectively, of Authority property located in the southeast corner of the Airport, of which 59 years remain. An office complex was built on the land leased to Cousins Properties, and a hotel and the International Plaza shopping mall were built on the land leased to Tampa Westshore Associates.

In spring 2022, the Authority's administrative offices relocated to the SkyCenter One building, located adjacent to the RCC and connected to the Airport via the SkyConnect. Construction of the nine-story, 270,000-square-foot building was completed in 2021. The Authority occupies approximately 95 percent of the facility, while additional tenants occupy a portion of the remaining space. The Authority purchased the building in April 2023.

A cell phone waiting lot is located north of the SkyCenter One building.

3. THE CAPITAL PROGRAM, 2024 PROJECTS, AND FUNDING SOURCES

This chapter summarizes the Authority's FY 2025 through FY 2030 CIP, collectively referred to as the Capital Program; the 2024 Projects; Capital Program funding sources; and Capital Program funding assumptions included in the financial analysis in this Report.

3.1 THE AIRPORT MASTER PLAN

The 2012 Master Plan Update was a study that emphasized maximizing the capacity and longevity of the existing main central terminal facilities while ensuring a high level of service. Completed and approved by the FAA in April 2013, the 2012 Master Plan Update provided a holistic study of all Airport facilities that developed into a comprehensive three-phase Master Plan:

- Phase I: Decongestion
- Phase II: Enabling
- Phase III: Expansion

3.1.1 2012 MASTER PLAN PHASE I

Phase I of the Master Plan projects was completed in 2018. Phase I primarily included projects that were designed to decongest the Airport's roadways and curbsides, expand rental car operations, improve passenger circulation through the construction of an APM (SkyConnect), and increase passenger circulation space on the Transfer Level of the Main Terminal by 33,000 square feet.

3.1.2 2012 MASTER PLAN PHASE II

Phase II projects are enabling projects designed to expand capacity on the curbside and continue preparation for construction of the future Airside D facility included in Master Plan Phase III. Construction of the future Airside D will be necessary to accommodate forecast international and domestic passenger growth.

Some projects within 2012 Master Plan Phase II were funded in part with prior bond proceeds, including the following: Main Terminal Curbside Expansion, Central Energy Plant and Loading Dock Replacement, SkyCenter Area Development, FAA Parking Lot, Widen and Rehabilitate the George J. Bean Parkway and New Economy Parking, Demolition of Red Side Rental Car Garage and Airside D Guideway, and Taxiway A and Bridge, fit-out of the Authority's offices in the SkyCenter One building, expansion of the Main Terminal curbside (Red Side), and demolition of the building formerly used for Authority office space.

3.1.3 2012 MASTER PLAN PHASE III

The final phase of the Master Plan is anticipated to include the construction of the Airside D facility with 16 international and domestic gates. These projects are also designed to increase concessions space.

It is currently anticipated that the Airside D construction will be completed by FY 2028 and is expected to be funded, in part, by the 2024 Bonds, along with bond proceeds from future debt issuances.

3.1.4 2022 MASTER PLAN

An update to the 2012 Master Plan was initiated in fall 2021 into 2022 (the 2022 Master Plan) and completed in June 2024, with recommendations to be presented to the Hillsborough County Planning Commission and the FAA in Summer 2024. Goals of the 2022 Master Plan Update include identifying industry trends, assessing future aviation demand, establishing future needs and further enhancements, creating a cohesive long-term Airport development strategy, and developing an implementable capital improvement plan.

Airfield-related focus areas of the 2022 Master Plan Update include assessing future airfield capacity, including timing for a third parallel runway, and review of the existing airfield layout for compliance with FAA design requirements. Terminal-related focus areas include assessing existing terminal capacity, reassessing the timeline for Airside D, and assessing future terminal requirements and North Terminal implementation. Landside focus areas include assessing future ground transportation and parking requirements and identifying future access and on-Airport circulation. The 2022 Master Plan Update also evaluates 20-year capital needs and opportunities for additional Airport enhancements for facilities such as air cargo, general aviation, and Airport support.

Future facility improvements in the 2022 Master Plan Update are assessed based on a 20-year passenger forecast approved by the FAA in April 2022. The approved passenger forecast is collapsed into three specific Planning Activity Levels (PALs) that are indicative of the near-term, mid-term, and long-term horizons for purposes of performing more detailed technical analyses that form the basis for the Master Plan's recommendations.

- PAL 1 is defined as 30.5 Million Annual Passengers (MAP), which generally corresponds to a 10-year (short-term) horizon per the approved forecasts.
- PAL 2 is defined as 35 MAP, a passenger level forecast to be reached within about 15 years, representing a mid-term horizon.
- PAL 3 is defined as 39 MAP, which is forecast to be reached within about 20 years, representing a long-term horizon.

Projects recommended in the 2022 Master Plan Update for implementation from FY 2025 through FY 2030 include airfield, parking, roadway, and terminal projects:

- **Airfield Projects ($57.6 million)**. These projects include fuel tank replacement (FY 2027 and FY 2030), Taxiway T relocation (FY 2027), and other taxiway improvements (FY 2026).
- **Parking Projects ($313.5 million)**. These projects include improvements to Economy Parking Road and SkyCenter Drive (FY 2026), economy parking expansion (FY 2028), and expansion of employee parking (FY 2029).
- **Roadway Projects ($1.6 million)**. These projects include improvements to O'Brien Street and West Spruce Street (FY 2029).
- **Terminal Complex (Main Terminal Building, Airside Buildings, and PTS Projects; $113.8 million)**. These projects include expansion of the Airside A baggage sortation building (FY 2029) and Phase 1 of Main Terminal check-in lobby improvements (FY 2027).

3.2 THE FISCAL YEAR 2025 THROUGH FISCAL YEAR 2030 CAPITAL IMPROVEMENT PROGRAM

In addition to the Master Plan projects, other capital projects are included in the Authority's CIP for FY 2025 through FY 2030 and will be funded through a combination of funding sources described later in this chapter. Excluding the

2024 Projects and 2022 Master Plan projects, future projects in the Authority's CIP anticipated through the Projection Period of this Report, totals approximately $1.3 billion. This program includes new capacity enhancement projects based on updated passenger and operation forecasts.

Fiscal Year 2025 Through Fiscal Year 2030 Capital Improvement Program Estimated Project Costs

The Authority's CIP will refurbish and improve existing facilities and infrastructure and includes the following:

- **Terminal Complex (Main Terminal Building, Airside Buildings, and PTS Projects; $571.4 million)**. This category includes the replacement, rehabilitation, and upgrades of equipment, restrooms, interior and exterior finishes, and roof structures for Airsides A, C, E, and F and the Main Terminal.
- **Airfield Projects ($502.5 million)**. This category includes the concrete replacement of Runway 1R-19L and Taxiway C, various taxiway pavement rehabilitation, aircraft rescue and firefighting facility and equipment maintenance and acquisition, fuel committee projects, and other airfield projects.
- **Other Projects and Administrative ($49.8 million)**. This category includes Authority warehouse expansion, Authority pavement rehabilitation, system upgrades, Authority vehicle acquisition, and administrative capital projects.
- **Cargo Projects ($6.6 million)**. This category includes existing cargo building expansion, cargo/GSE roll-up door replacement, and other cargo-related rehabilitation projects.
- **Commercial Landside Projects ($32.6 million)**. This category includes rehabilitation and repairs for all parking garages, cell phone lot equipment/lighting replacement, premium parking installation, and other commercial landside projects.
- **Auxiliary and General Aviation Projects ($121.8 million)**. This category includes various rehabilitation and expansion projects for Peter O. Knight, Plant City, and Tampa Executive Airports and improvements related to general aviation.
- **Roads and Grounds Projects ($24.9 million)**. This category includes the installation of dynamic signage on roads leading to the Airport, service road rehabilitation, and other road signage, replacement, and expansion projects.

3.3 THE 2024 PROJECTS

The 2024 Projects include certain Master Plan projects and certain projects included in the Authority's CIP, which are to be funded, in whole or in part, with proceeds from the 2024 Bonds. The estimated cost of the 2024 Projects totals approximately $1.8 billion, of which approximately $425.0 million is anticipated to be funded with proceeds from the 2024 Bonds. The 2024 Projects are described in the following subsections.

3.3.1 MASTER PLAN PHASE III PROJECT

Airside D and Associated Shuttle Infrastructure ($1.5 Billion)

The 2022 Master Plan Update validated that the Airport will be unable to accommodate additional demand on the four airsides once the traffic level reaches 27.5 MAP (forecast to occur in 2028), at which point TPA will experience a deficit of 8 gates, increasing to a deficit of 13 gates by 2032.

The analysis recommended that a 16-gate Airside D concept maximizes the number of gates that can be developed on the site. Airside D will be designed to accommodate all departure and arrival passenger functions for both domestic and international operations. The preliminary planning for Airside D contemplates a three-level facility totaling approximately 600,000 square feet.

The overall Airside D program and scope includes the following:

- state-of-the-art 16-gate, multi-level domestic and international airside terminal;
- airline functions on all levels;
- new apron and hydrant fuel system;
- Transportation Security Administration (TSA) Security Screening Checkpoint;
- TSA Checked Baggage Inspection System (CBIS) and Checked Baggage Reconciliation Area (CBRA);
- US CBP;
- concessions and other commercial programs;
- common building spaces, restrooms, and circulation corridors; and,
- shuttle station for connectivity to the Main Terminal.

Table 3-1 presents the planned aircraft parking capabilities of the new Airside D gates. The number of aircraft parking positions at Airside D is summarized by Airplane Design Group (ADG), which is a classification system defined by the FAA to categorize aircraft based on their wingspan and tail height. The classification system includes six groups (I through VI). Airside D is anticipated to accommodate a mix of widebody and narrowbody aircraft categorized as ADG III and ADG V.[9] The Airside D gates will accommodate up to 12 widebody aircraft or up to 16 narrowbody/widebody (mixed) aircraft.

TABLE 3-1 AIRSIDE D AIRCRAFT PARKING CAPABILITIES

	MAXIMUM PARKING POSITIONS		
AIRCRAFT TYPE	ADG III	ADG V	TOTAL
Widebody	4	8	12
Narrowbody/Widebody Mix	12	4	16

NOTE:
ADG – Airplane Design Group
SOURCE: Hillsborough County Aviation Authority, July 2024.

Airside D will be the fifth airside terminal at the Airport and the first new one since the completion of Airside C in 2005. The Airside D project was approved in the Authority's FY 2023 Budget. The Part 1 design contract was awarded at the August 3, 2023, Board meeting. It is estimated that the project will be substantially complete by FY 2028. The project timeline is summarized as follows:

- Fiscal Year Implementation: FY 2023

9 ADG III aircraft have a wingspan between 79 feet and 118 feet, and a tail height between 30 feet and 45 feet. Examples include variants of the Boeing 737 and Airbus A320. ADG V aircraft have a wingspan between 171 feet and 214 feet, and a tail height between 60 feet and 66 feet. Examples include the Boeing 777 series and Airbus A330 family.

- Design Builder Selection: June 2023
- Begin Design: March 2024
- Begin Construction: September 2024
- Complete Construction: Summary 2028

3.3.2 CAPITAL IMPROVEMENT PROGRAM PROJECTS

3.3.2.1 AIRSIDE E RUNNING SURFACE ($19.9 MILLION)

This project consists of the replacement of the four shuttle cars that run on the guideway between Airside E and the Main Terminal. It also includes all the supporting infrastructure and systems associated with the guideway and subsystems, including concrete running surface replacement, power rails, flags, power distribution, commissioning of cars, and all other necessary elements for a fully complete and operational guideway system. Airside E was constructed and opened in 2002 and included four new shuttle cars, supporting systems, and running surface. Typically, APM vehicles have a service life of approximately 25 years, or between 1.0 and 1.5 million miles (with appropriate mid-life overhauls). Other equipment and subsystems (i.e., train controls, traction power, communications, and wayside equipment) have a typical service life ranging between 15 and 20 years. The project is estimated to be completed by September 2025.

3.3.2.2 ASPHALT OVERLAY – RUNWAY 10-28 ($15.0 MILLION)

This project consists of the rehabilitation of the asphalt pavement sections for Runway 10-28. Rehabilitation activities are expected to consist of milling and overlaying of asphalt surfaces. The rehabilitation project is estimated to be completed by December 2024.

Since 2010, the Authority, as required by the FAA, has conducted an Airport Pavement Management System (APMS) evaluation that identifies pavement conditions and deficiencies. During this evaluation, each pavement area is assigned a Pavement Condition Index (PCI) ranging from 0 (worst possible condition) to 100 (best possible condition). Through an extrapolation of PCI data to the mid-point of expected construction, the PCI value of asphalt pavement sections of Runway 10-28 is estimated to be 66. PCI values less than 70 are considered eligible for FAA funding for rehabilitation, and per the 2021 APMS, these pavements should be rehabilitated at this time.

3.3.2.3 BAGGAGE SYSTEM DESIGN AND CONSTRUCTION ($250.4 MILLION)

The existing checked baggage screening system at TPA comprises three separate systems, separate systems for Airsides A and C (eastside) and one for Airsides E and F (westside). The relocation and upgrades for the eastside baggage screening system was completed in May 2023. The westside baggage screening system is the original inline baggage screening system that was commissioned in 2005. The TSA is conducting ongoing maintenance projects to keep the existing system in service.

These separate systems cause constraints on the Ticket Level because the airline ticket counters, and the associated conveyors, deliver bags to specific airsides based on the baggage system function, layout, and location. The baggage handling system (BHS) for the westside project will be designed in a way to replace the existing loop systems in the Main Terminal bag makeup area, which will interconnect and provide the ability to deliver bags to any airside regardless of the Ticket Level check-in location, thereby removing the constraint. This feature will provide the needed flexibility on the Ticket Level and the check-in counters, so that TPA can continue to grow as airlines are added to the air service network. The project is estimated to be completed in FY 2028.

The 2024 Bonds will fund $10.9 million of the design of the baggage system project. Remaining design costs, along with construction costs, are anticipated to be funded with proceeds from future (Series 2026) bonds.

3.4 FUNDING SOURCES

The Authority intends to use a combination of funding sources to fund the Capital Program, including FAA Airport Improvement Program (AIP) grants, FDOT grants, previously issued bonds, proceeds from the 2024 Bonds, future bond proceeds, PFCs, IIJA funding, and Authority funds.

Table 3-2 summarizes the Capital Program projects anticipated to be undertaken during the Projection Period, which includes the 2024 Projects, 2022 Master Plan projects, and future CIP projects through FY 2030, and it also identifies the funding sources anticipated to be used to fund those projects. As shown, the total Capital Program anticipated to be undertaken during the Projection Period totals approximately $3.5 billion, comprising approximately $1.8 billion of 2024 Projects, $456.2 million of 2022 Master Plan projects, and approximately $1.3 billion of future CIP projects.

3.4.1 FEDERAL AVIATION ADMINISTRATION AIRPORT IMPROVEMENT PROGRAM

For those projects anticipated to be eligible for FAA AIP funding, up to 75 percent of estimated project costs may be funded from that source. Before federal approval of any AIP grant applications can be given, eligible airport sponsors must provide written assurances that they will comply with a variety of statutorily specified conditions. One such assurance is the "airport-generated revenues" assurance, which provides that all airport-generated revenues will be expended for the capital or operating costs of the airport, the local Airport System, or other local facilities owned or operated by the applicant that are directly and substantially related to air transportation of passengers or property. The remainder of AIP-eligible project costs is assumed to be funded from other sources such as PFCs, FDOT grants, and Authority funds.

The Capital Program assumes a total of approximately $123.0 million of project costs will be funded with AIP grants during the Projection Period. Should discretionary AIP funds not become available, the Authority will determine if the projects can be delayed or will use other sources of funds to undertake those projects.

3.4.2 FLORIDA DEPARTMENT OF TRANSPORTATION GRANTS

FDOT grants are funded from the State Transportation Trust Fund, which consists, in part, of funds collected through the state's aviation fuel tax. FDOT grants supplement the AIP, providing a portion of the sponsor's matching share when federal funding is available and up to 80 percent of the overall project cost when it is not. Funding awarded via FDOT grants is frequently distributed by the state over a multi-year period for grant-approved projects. A total of approximately $210.5 million of the Capital Program is expected to be funded from FDOT grants, including approximately $119.7 million of the 2024 Projects, during the Projection Period.

TABLE 3-2 AIRPORT CAPITAL PROGRAM FISCAL YEAR 2025 THROUGH FISCAL YEAR 2030 AND ANTICIPATED FUNDING SOURCES

PROJECT NAME	COST	AUTHORITY FUNDS	AIP	FDOT	2024 BONDS	FUTURE 2026 BONDS	FUTURE 2028 BONDS	FUTURE 2030 BONDS	FUTURE 2026 PFC BONDS	PFC REVENUE	IIJA
2024 PROJECTS											
Airside D	$1,419,914,898	$212,500,000	$-	$115,627,141	$345,033,310	$428,036,495	$-	$-	$123,000,000	$109,000,000	$86,717,952
Airside D Shuttle	$85,579,099	$-	$-	$-	$34,231,640	$51,347,459	$-	$-	$-	$-	$-
Airside E Running Surface	$19,874,000	$-	$-	$-	$19,874,000	$-	$-	$-	$-	$-	$-
Asphalt Overlay – Runway 10-28	$15,000,000	$-	$-	$-	$15,000,000	$-	$-	$-	$-	$-	$-
Baggage System Design and Construction	$250,406,000	$-	$-	$4,096,032	$10,861,050	$235,448,918	$-	$-	$-	$-	$-
TOTAL 2024 PROJECTS	**$1,790,773,997**	**$212,500,000**	**$-**	**$119,723,173**	**$425,000,000**	**$714,832,872**	**$-**	**$-**	**$123,000,000**	**$109,000,000**	**$86,717,952**
2022 MASTER PLAN PROJECTS (FY 2025 – FY 2030)											
Airfield	$57,559,000	$14,732,000	$-	$-	$-	$-	$30,738,000	$-	$-	$12,089,000	$-
Parking	$313,485,000	$27,018,000	$-	$-	$-	$-	$-	$286,467,000	$-	$-	$-
Roadway	$1,584,000	$1,584,000	$-	$-	$-	$-	$-	$-	$-	$-	$-
Terminal Complex	$83,574,000	$-	$-	$-	$-	$37,700,000	$-	$45,874,000	$-	$-	$-
Total 2022 Master Plan Projects	**$456,202,000**	**$43,334,000**	**$-**	**$-**	**$-**	**$37,700,000**	**$30,738,000**	**$332,341,000**	**$-**	**$12,089,000**	**$-**
FUTURE CIP PROJECTS (FY 2025 – FY 2030)											
Terminal Complex	$541,501,525	$156,617,355	$25,086,035	$30,566,587	$-	$200,000,000	$-	$79,231,548	$-	$50,000,000	$-
Airfield	$511,759,770	$69,213,937	$87,337,784	$29,985,150	$-	$60,000,000	$240,000,000	$-	$-	$11,560,100	$13,662,799
Other and Administrative	$53,594,674	$49,435,969	$3,445,478	$713,227	$-	$-	$-	$-	$-	$-	$-
Cargo	$6,631,710	$5,375,168	$-	$1,256,543	$-	$-	$-	$-	$-	$-	$-
Commercial Landside	$30,690,724	$29,180,724	$-	$1,510,000	$-	$-	$-	$-	$-	$-	$-
Auxiliary and General Aviation	$120,284,778	$89,028,891	$7,106,036	$22,977,601	$-	$-	$-	$-	$-	$-	$1,172,249
Roads and Grounds	$24,865,468	$21,138,901	$-	$3,726,567	$-	$-	$-	$-	$-	$-	$-
Total Future CIP Projects	**$1,289,328,649**	**$419,990,944**	**$122,975,333**	**$90,735,675**	**$-**	**$260,000,000**	**$240,000,000**	**$79,231,548**	**$-**	**$61,560,100**	**$14,835,048**
TOTAL CAPITAL PROGRAM INCLUDED IN FINANCIAL ANALYSIS	**$3,536,304,646**	**$675,824,944**	**$122,975,333**	**$210,458,848**	**$425,000,000**	**$1,012,532,872**	**$270,738,000**	**$411,572,548**	**$123,000,000**	**$182,649,100**	**$101,553,000**

NOTES:
AIP – Airport Improvement Program
FDOT – Florida Department of Transportation
PFC – Passenger Facility Charge
IIJA – Infrastructure Investment and Jobs Act
FY – Fiscal Year
CIP – Capital Improvement Program
SOURCE: Hillsborough County Aviation Authority, July 2024.

3.4.3 GENERAL AIRPORT REVENUE BONDS

The plan of finance for the Capital Program anticipates a total of approximately $2.1 billion of project costs to be funded using proceeds from general airport revenue bonds (GARBs) issued during the Projection Period. This includes the issuance of the 2024 Bonds and future assumed GARB issuances. The 2024 Bonds are expected to be issued to fund approximately $425.0 million of 2024 Project costs. Future anticipated issuances, including GARBs and PFC Bonds, are included in the financial analysis, which will fund approximately $1.7 billion and $123.0 million of CIP costs, respectively. The associated debt service included in this analysis for these future issuances is subject to change based on market conditions.[10]

3.4.4 PASSENGER FACILITY CHARGE REVENUE

The Authority has submitted and received approval from the FAA to impose and use PFC Revenues for capital projects, including financing costs, totaling approximately $1.7 billion, in 12 separate PFC Applications. The current PFC collection level is $4.50, and the PFC Charge Expiration Date for PFC collections is currently estimated to be June 1, 2038, based on estimates of future enplaned passengers. PFCs are available only to fund PFC-approved projects on a pay-go basis or to pay debt service on PFC Bonds, as described in the Senior Trust Agreement and the Subordinated Trust Agreement, including the Subordinated 2022A Bonds. There are currently no Senior PFC Bonds outstanding. For purposes of the financial analysis herein, the current $4.50 collection level is assumed through the Projection Period. The Capital Program assumes approximately $123.0 million and $109.0 million for PFC bond capital and PFC pay-go funding, respectively, for the Airside D project and $73.6 million of PFCs for other airfield and terminal projects.

See Section 6.6 of this Report for additional information on PFCs.

3.4.5 INFRASTRUCTURE INVESTMENT AND JOBS ACT FUNDING

The IIJA is a $1.2 trillion infrastructure bill that includes $550.0 billion in new spending. The Act was signed into law by the President on November 15, 2021, and includes $20.0 billion for airport funding over the next 5 years. The Act also includes approximately $5.0 billion for FAA air traffic facilities and equipment over the next 5 years. In total, it is estimated that the Authority will receive approximately $112.7 million in IIJA funding over the course of the IIJA program, which is funded through 2026. For the purposes of this analysis, a total of approximately $86.7 million in IIJA funding is assumed to be applied to the Airside D project, with additional funding assumed for projects at TPA and other HCAA airports.

3.4.6 AUTHORITY FUNDS

The Authority anticipates using approximately $675.8 million of its unencumbered available cash to fund a portion of the Capital Program presented in Table 3-1.

[10] Although approximately $479.5 million of future bonds are anticipated to be issued in 2030 (within the Projection Period of this Report), debt service associated with these bonds is assumed to start after FY 2030 (subsequent to the Projection Period of this Report) and is therefore not included in the financial analysis presented in this Report.

4. DEMOGRAPHIC AND ECONOMIC ANALYSIS

The demand for air transportation at an airport is, to a large degree, dependent upon the demographic and economic characteristics of the geographical area surrounding the airport (the airport's "air trade area"). This relationship is particularly true for O&D passenger traffic, which has historically been the largest component of demand at TPA.[11] Therefore, the major portion of demand for air travel at the Airport is influenced more by the local socioeconomic characteristics of the area served than by individual air carrier decisions regarding service patterns in support of connecting activity. This chapter presents data indicating the Airport's Air Trade Area (as defined in Chapter 2 of this Report) has an economic base capable of supporting increased demand for air travel during the Projection Period.

4.1 DEMOGRAPHIC ANALYSIS

4.1.1 POPULATION

There is typically a positive correlation between population growth in a local area and air travel demand. **Table 4-1** presents the historical population for the Air Trade Area, Florida, and the United States. As shown, the population in the Air Trade Area increased from approximately 2.5 million in CY 2002 to approximately 2.8 million in CY 2012 and to approximately 3.3 million in CY 2022. As also shown, population growth in the Air Trade Area between CY 2002 and CY 2022 (CAGR of 1.4 percent) was approximately the same as that experienced in Florida (CAGR of 1.4 percent), but greater than the nation (CAGR of 0.7 percent) during this period.

TABLE 4-1 HISTORICAL AND PROJECTED POPULATION

					COMPOUND ANNUAL GROWTH RATE			
	HISTORICAL			PROJECTED	HISTORICAL			PROJECTED
AREA	CY 2002	CY 2012	CY 2022[1]	CY 2030	CY 2002 – CY 2012	CY 2012 – CY 2022	CY 2002 – CY 2022	CY 2022 – CY 2030
Hernando County	*137,818*	*172,139*	*206,935*	*236,939*	*2.2%*	*1.9%*	*2.1%*	*1.7%*
Hillsborough County	*1,054,860*	*1,273,545*	*1,513,473*	*1,651,287*	*1.9%*	*1.7%*	*1.8%*	*1.1%*
Pasco County	*369,665*	*468,914*	*609,141*	*707,121*	*2.4%*	*2.7%*	*2.5%*	*1.9%*
Pinellas County	*925,102*	*918,189*	*961,792*	*988,444*	*-0.1%*	*0.5%*	*0.2%*	*0.3%*
Air Trade Area	2,487,445	2,832,787	3,291,341	3,583,791	1.3%	1.5%	1.4%	1.1%
Florida	16,689,370	19,274,146	22,245,521	24,457,873	1.5%	1.4%	1.4%	1.2%
United States	287,625,148	314,371,456	333,271,411	350,794,062	0.9%	0.6%	0.7%	0.6%

NOTES:
CY – Calendar Year
1 CY 2022 is the last year of historical population data in the Woods & Poole Economics, Inc. (Woods & Poole) database and is the basis for Woods & Poole's projections. Therefore, it is the last year of historical data displayed in this table. More recent population data may be available from other sources.
SOURCE: Woods & Poole Economics, Inc., *2024 Complete Economic and Demographic Data Source (CEDDS)*, July 2024.

Table 4-1 also presents population projections from Woods & Poole Economics, Inc. (Woods & Poole)[12] for the Air Trade Area, Florida, and the United States for CY 2030. Population in the Air Trade Area is expected to increase at a CAGR of 1.1 percent between CY 2022 and CY 2030, from approximately 3.3 million in CY 2022 to approximately 3.6

[11] Based on reconciled US Department of Transportation ticket sample data, O&D passengers accounted for approximately 96.9 percent of total passengers at the Airport in CY 2023.

[12] Woods & Poole is an independent firm specializing in long-term county economic data and demographic data projections.

million in CY 2030.[13] Projected population growth for the Air Trade Area is expected to be approximately equal to that experienced by Florida (CAGR of 1.2 percent), but more rapid than the nation (CAGR of 0.6 percent), during this period. Between CY 2022 and CY 2030, the Air Trade Area population is expected to grow fastest in Pasco County and Hernando County (CAGRs of 1.9 percent and 1.7 percent, respectively).

The US Department of Commerce, Bureau of the Census (US Census Bureau) reports more recent growth in the Air Trade Area due to net domestic migration growth. Between CY 2021 and CY 2023, the Air Trade Area ranked among the top 10 fastest-growing MSAs in the United States.[14,15] Additionally, Pasco County was one of the top 10 counties in the United States for net domestic migration in CY 2023. This recent population growth may impact population growth trends in the Air Trade Area in the future.

4.1.2 AGE DISTRIBUTION

Demand for airline travel varies by age group, and this is a factor influencing O&D passenger activity at the Airport. According to a January 2024 survey from Airlines for America, persons between the ages of 25 and 54 accounted for the highest propensity to fly in 2023.[16]

Table 4-2 shows that, in CY 2022, residents in the Air Trade Area aged 25 to 54 accounted for 38.9 percent of the population. Thus, the age group that generates the most expenditures on airfares is represented in the Air Trade Area at a higher rate than the population in Florida (37.4 percent) and comparable to the United States (38.9 percent).

TABLE 4-2 AGE DISTRIBUTION

(Population in Thousands)

AGE DISTRIBUTION	AIR TRADE AREA	FLORIDA	UNITED STATES
CY 2022 Total Population[1]	**3,291**	**22,246**	**333,271**
By Age Group			
19 and Under	21.3%	21.6%	24.3%
20 to 24 Years	5.8%	6.1%	6.8%
25 to 34 Years	13.3%	12.6%	13.7%
35 to 44 Years	13.0%	12.5%	13.1%
45 to 54 Years	12.6%	12.3%	12.1%
55 to 64 Years	13.5%	13.4%	12.6%
65 and Above	20.5%	21.6%	17.3%
Total	**100.0%**	**100.0%**	**100.0%**
Median Age	**41.8 years**	**42.2 years**	**38.4 years**

NOTES:
CY – Calendar Year
Totals may not add due to rounding.
1 CY 2022 is the last year of historical population data in the Woods & Poole Economics, Inc. (Woods & Poole) database and is the basis for Woods & Poole's projections. Therefore, it is displayed in this table. More recent population data may be available from other sources.
SOURCE: Woods & Poole Economics, Inc., *2024 Complete Economic and Demographic Data Source (CEDDS)*, July 2024.

13 CY 2022 population data are described here because CY 2022 is the last year of historical data in the Woods & Poole database, and these data are the basis for Woods & Poole's future projections; more current historical population data may be available from other sources.

14 US Census Bureau, "Vintage 2023 Population Estimates, Largest Gaining Metro Areas July 1, 2021 – July 1, 2022, and July 1, 2022 – July 1, 2023," https://www.census.gov/content/dam/Census/library/stories/2024/03/florida-and-fast-growing-metros/tables-1-4.jpg (accessed June 20, 2024)

15 US Census Bureau, "Four of Nation's Fastest Growing Metros are in Florida," https://www.census.gov/library/stories/2024/03/florida-and-fast-growing-metros.html (accessed May 23, 2024).

16 Airlines for America, *Air Travelers in America: Key Findings of a Survey Conducted by Ipsos*, https://www.airlines.org/wp-content/uploads/2024/03/A4A-Air-Travel-Survey-Key-Findings-March-2024.pdf (accessed May 24, 2024).

4.1.3 PER CAPITA PERSONAL INCOME

Table 4-3 presents historical per capita personal income (PCPI) for the Air Trade Area, Florida, and the United States between CY 2012 and CY 2022, as expressed in 2017 dollars. As shown, PCPI for the Air Trade Area was lower than equivalent measures for the nation each year between CY 2012 and CY 2022 and lower than equivalent measures for Florida in nearly every year during the same period. As also shown, PCPI for the Air Trade Area increased at a CAGR of 1.9 percent between CY 2012 and CY 2022,[17] slower than the 2.5 percent CAGR for Florida and the 1.9 percent CAGR experienced by the nation over this same period. It is the high PCPI of certain metro areas (including the Naples–Marco Island, Florida, MSA, which has a PCPI of $113,163 the Sebastian–Vero Beach, Florida, MSA, which has a PCPI of $90,745; and the Miami–Fort Lauderdale–Pompano Beach, Florida, MSA, which has a PCPI of $66,981) that result in the Tampa MSA PCPI being lower than the average PCPI for the state; however, the Tampa MSA PCPI is higher than the median of the PCPIs of the top 10 most populous MSAs in the state.

Table 4-3 also presents projections of PCPI for CY 2030. According to data from Woods and Poole, PCPI for the Air Trade Area is projected to increase from $51,774 in CY 2022 to $59,819 in CY 2030. This increase represents a CAGR of 1.8 percent from CY 2022 through CY 2030, higher than that projected for Florida (1.2 percent) and the nation (1.7 percent).

An additional indicator of the market potential for air transportation demand is the percentage of households in the higher income categories. An examination of this indicator is important in that as income increases, air transportation becomes more affordable and, therefore, is generally used more frequently. Table 4-3 also presents percentages of households in selected income categories for CY 2022 as expressed in 2022 inflation-adjusted dollars. As presented, 37.3 percent of households in the Air Trade Area had a household income of $100,000 or more in CY 2022, which was slightly higher than the percentage of households in these household income categories for Florida (32.4 percent) and the nation (32.3 percent).

4.2 ECONOMIC ANALYSIS

4.2.1 GROSS DOMESTIC PRODUCT

Gross domestic product (GDP) for the United States and its state and MSA equivalent, gross regional product (GRP), are measures of the market value of all final goods and services produced within a particular area for a specific period of time. These indicators are one of the broadest measures of the economic health of a particular area and, consequently, the area’s potential air travel demand.

Table 4-4 presents historical GRP/GDP for the Air Trade Area, Florida, and the United States between CY 2012 and CY 2022, as expressed in 2017 dollars. As shown, Air Trade Area GRP increased from approximately $128.3 billion in CY 2012 to approximately $182.8 billion in CY 2022, a CAGR of 3.6 percent. In comparison, the GRP for Florida increased at a 3.9 percent CAGR over the same period, while the nation’s equivalent measure, GDP, grew at a 2.5 percent CAGR.

[17] For variables in this chapter with Woods & Poole projections, CY 2021 data are described because CY 2021 is the last year of historical data in the Woods & Poole database (except population), and these data are the basis for Woods & Poole’s projections; more current historical data may be available from other sources.

TABLE 4-3 PER CAPITA PERSONAL INCOME

(Per Capita Personal Income in 2017 Dollars)

	PER CAPITA PERSONAL INCOME		
YEAR	AIR TRADE AREA	FLORIDA	UNITED STATES
Historical			
CY 2012	$42,733	$43,581	$46,791
CY 2013	$41,677	$42,521	$46,352
CY 2014	$42,791	$44,130	$47,656
CY 2015	$44,343	$46,187	$49,391
CY 2016	$44,564	$46,513	$49,825
CY 2017	$45,679	$48,437	$51,005
CY 2018	$46,641	$49,985	$52,243
CY 2019	$48,368	$51,820	$53,664
CY 2020	$51,246	$54,051	$56,530
CY 2021	$53,668	$57,863	$59,107
CY 2022[1]	$51,774	$55,845	$56,421
Projected			
CY 2030	$59,819	$63,833	$64,732
Compound Annual Growth Rate			
CY 2012 – CY 2022	1.9%	2.5%	1.9%
CY 2022 – CY 2030	1.8%	1.7%	1.7%
PERCENTAGE OF HOUSEHOLDS IN INCOME CATEGORIES (CY 2022)			
INCOME CATEGORY (IN 2022 DOLLARS)[2]	AIR TRADE AREA	FLORIDA	UNITED STATES
Less than $24,999	15.7%	16.5%	16.6%
$25,000 to $49,999	18.1%	20.4%	20.6%
$50,000 to $99,999	28.9%	30.8%	30.5%
$100,000 or More	37.3%	32.4%	32.3%

NOTES:

CY – Calendar Year

1 CY 2022 is the last year of historical data in the Woods & Poole Economics, Inc. (Woods & Poole) database and is the basis for Woods & Poole's future projections. Therefore, it is the last year of historical data displayed in this table. More recent data may be available from other sources.

2 Household income is in 2022 inflation-adjusted dollars.

SOURCES: Woods & Poole Economics, Inc., *2024 Complete Economic and Demographic Data Source (CEDDS)*, July 2024; US Census Bureau, 2022 American Community Survey 5-Year Estimates, Table S1901, "Income in the Past 12 Months (in 2022 Inflation-Adjusted Dollars)," https://data.census.gov/table/ACSST5Y2022.S1901 (accessed April 2024).

TABLE 4-4 GROSS REGIONAL/DOMESTIC PRODUCT

(In 2017 Dollars, Amounts in Billions)

YEAR	AIR TRADE AREA (GRP)	FLORIDA (GRP)	UNITED STATES (GDP)
Historical			
CY 2012	$128.3	$823.6	$17,074.0
CY 2013	$131.6	$847.5	$17,466.8
CY 2014	$134.9	$876.9	$17,953.8
CY 2015	$143.1	$933.7	$18,596.4
CY 2016	$148.1	$970.0	$18,910.8
CY 2017	$151.0	$1,003.1	$19,368.5
CY 2018	$155.8	$1,036.0	$19,999.3
CY 2019	$162.1	$1,073.7	$20,529.8
CY 2020	$163.4	$1,067.3	$19,998.3
CY 2021	$175.0	$1,151.9	$21,264.6
CY 2022[1]	$182.8	$1,204.7	$21,788.0
Projected			
CY 2030	$219.2	$1,494.0	$25,999.4
Compound Annual Growth Rate			
CY 2012 – CY 2022	3.6%	3.9%	2.5%
CY 2022 – CY 2030	2.3%	2.7%	2.2%

NOTES:
CY – Calendar Year
GDP – Gross Domestic Product
GRP – Gross Regional Product
1 CY 2022 is the last year of historical data in the Woods & Poole Economics, Inc. (Woods & Poole) database and is the basis for Woods & Poole's projections. Therefore, it is the last year of historical data displayed in this table. More recent data may be available from other sources.
SOURCE: Woods & Poole Economics, Inc., *2024 Complete Economic and Demographic Data Source (CEDDS)*, July 2024.

Table 4-4 also presents projections of GRP/GDP for CY 2030. Woods & Poole projects GRP for the Air Trade Area to increase from approximately $182.8 billion in CY 2022 to approximately $219.2 billion in CY 2030, reflecting a CAGR of 2.3 percent. GRP growth for Florida is projected to be higher than the Air Trade Area at a CAGR of 2.7 percent during this period. The projected GRP growth in the Air Trade Area is similar to the projected GDP growth for the nation (2.2 percent).

4.2.2 LABOR FORCE AND UNEMPLOYMENT

Table 4-5 presents the recent unemployment and labor force trends for the Air Trade Area, Florida, and the United States. As shown, the Air Trade Area's civilian labor force increased from approximately 1.4 million workers in CY 2012 to approximately 1.7 million workers in CY 2023. This increase represents a CAGR of approximately 1.9 percent in the Air Trade Area's labor force during this period, compared to an approximately 1.5 percent increase for Florida and an approximately 0.7 percent increase for the United States. The Air Trade Area's civilian labor force increased by 4.0 percent year-over-year in CY 2023, more than the increase in the civilian labor force of Florida and the United States in CY 2023 by 2.8 percent and 1.7 percent, respectively. This increase in civilian labor force nationwide accompanied the easing of labor market conditions in 2022 and 2023, as workers returned to the labor force following the cessation of COVID-19–related restrictions, moderating inflationary pressures, and the subsequent economic recovery.[18]

TABLE 4-5 CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATES

(Civilian Labor Force in Thousands)

CIVILIAN LABOR FORCE			
YEAR	AIR TRADE AREA	FLORIDA	UNITED STATES
CY 2012	1,401	9,336	154,975
CY 2013	1,417	9,415	155,389
CY 2014	1,432	9,546	155,922
CY 2015	1,447	9,640	157,130
CY 2016	1,481	9,841	159,187
CY 2017	1,505	9,973	160,320
CY 2018	1,525	10,118	162,075
CY 2019	1,555	10,256	163,539
CY 2020	1,549	10,077	160,742
CY 2021	1,583	10,320	161,204
CY 2022	1,650	10,692	164,287
CY 2023	1,716	10,989	167,116
Compound Annual Growth Rate			
CY 2012 – CY 2022	1.6%	1.4%	0.6%
CY 2022 – CY 2023	4.0%	2.8%	1.7%
CY 2012 – CY 2023	1.9%	1.5%	0.7%
UNEMPLOYMENT RATES			
CY 2012	8.5%	8.6%	8.1%
CY 2013	7.2%	7.5%	7.4%
CY 2014	6.2%	6.4%	6.2%
CY 2015	5.3%	5.5%	5.3%
CY 2016	4.6%	4.9%	4.9%
CY 2017	4.1%	4.3%	4.4%
CY 2018	3.6%	3.6%	3.9%
CY 2019	3.4%	3.3%	3.7%
CY 2020	7.2%	8.1%	8.1%
CY 2021	4.3%	4.7%	5.3%
CY 2022	2.8%	3.0%	3.6%
CY 2023	2.9%	2.9%	3.6%
April 2024	3.3%	3.3%	3.9%

NOTES:
CY – Calendar Year
April 2024 unemployment figures are seasonally adjusted and preliminary.
SOURCE: US Department of Labor, Bureau of Labor Statistics, July 2024.

Table 4-5 also shows that average annual unemployment rates (non-seasonally adjusted) for the Air Trade Area were comparable to the unemployment rates for Florida from CY 2012 to CY 2019, with a 0.1 percent to 0.3 percent

[18] Federal Reserve Bank of St. Louis, "Labor Market Conditions Have Eased, but Why? A State-Level View," https://www.stlouisfed.org/publications/regional-economist/2024/feb/labor-market-conditions-eased-state-level-view#:~:text=The%20increase%20in%20labor%20supply,with%2082.5%25%20in%20December%202022 (accessed April 18, 2024).

difference. In CY 2020, the Air Trade Area unemployment rate dropped 0.9 percent below the Florida unemployment rate, this time by the widest margin in the 10-year period. Average annual unemployment rates for the Air Trade Area were above the unemployment rates for the nation in CY 2012 due to the ongoing effects of the Great Recession of 2008. In the years leading up to the Great Recession, Florida had a booming housing market; in 2005, Florida's construction sector experienced the highest employment growth in the nation.[19] Following a period of booming construction activity, employment in the industry took a major hit when housing starts later fell dramatically.[20] However, the Air Trade Area's unemployment rates recovered and have remained at or below the national level since CY 2013, and construction industry employment rebounded to higher than pre–Great Recession levels. In CY 2023, the Air Trade Area's unemployment rate was approximately 2.9 percent, which was equivalent to the unemployment rate experienced in Florida statewide and below the national unemployment rate during this same period (2.9 percent and 3.6 percent, respectively). The Air Trade Area's unemployment rate in CY 2023 was also above the Miami–Fort Lauderdale–West Palm Beach, Florida, MSA (2.4 percent) and on par with the Orlando-Kissimmee-Sanford, Florida, MSA (2.9 percent).[21] The seasonally adjusted April 2024 unemployment rate for the Air Trade Area is 3.3 percent, comparable to the rate for the state (3.3 percent) but lower than the rate for the nation (3.9 percent).

4.2.3 BUSINESS CLIMATE

The business climate in the Air Trade Area offers significant advantages to new, expanding, and relocating companies. These advantages include support for small businesses; business costs that are below the national average; competitive local/state tax and incentive structures; and no state income tax.[22] Tampa is strategically located to trade with Latin America. Additionally, Tampa has three airports, including an international hub that ensures seamless connectivity for businesses. Moreover, the absence of state personal income tax in Florida translates to greater disposable income for both entrepreneurs and employees, while a modest 5.5 percent corporate tax fosters an attractive business climate.

In addition to financial incentives, Tampa is home to thriving startup ecosystems such as Embarc Collective, supporting over 150 tech startups, and the Tampa Bay Innovation Center, which offers mentorship, networking opportunities, and business plan education to tech ventures. Further aiding startup growth is the First Wave Accelerator, renowned for guiding startups to achieve significant revenue milestones. Moreover, for those considering relocation, organizations like Relocate Tampa Bay provide tailored support to facilitate a seamless transition for individuals, families, and employees moving to the Tampa Bay area. [23]

Florida has the fourth-largest state GDP and the third-largest state workforce size, which can support business operations. Florida also has a labor union participation rate below the national average: in 2023, 6.1 percent of Florida's workforce was represented by a union, compared to the 11.2 percent national average.[24] This in turn

[19] Florida State University, Applied Economics Research Group, *What Drives the Florida Economy?* https://coss.fsu.edu/economics/wp-content/uploads/sites/10/2022/01/FLEcon.pdf (accessed May 7, 2024).

[20] Ibid.

[21] US Department of Labor, Bureau of Labor Statistics, April 19, 2024. March 2024 unemployment rates are preliminary.

[22] Tampa Bay Economic Development Council, "Corporate HQ – 2023," https://tampabayedc.com/target-industries-2/corporate-hq/ (accessed May 3, 2024).

[23] Precision Global Consulting, "Why Tampa Is One of the Best Places to Start a Business in Florida," https://pgcgroup.com/blog/tampa-places-to-start-a-business-in-florida (accessed April 19, 2024).

[24] US Department of Labor, Bureau of Labor Statistics, "Union Members – 2023," https://www.bls.gov/news.release/pdf/union2.pdf (accessed April 19, 2024).

correlates with lower labor costs and a more attractive business climate.

The Tampa MSA (the Air Trade Area) ranked 17th, up 15 places from 2021, out of 200 US cities included in the Milken Institute's Best-Performing Cities 2023, in which US metropolitan areas are ranked based on how well an area creates and sustains employment and economic growth.[25] The cities were ranked based on resident age, proportion of people with college or advanced degrees, unemployment, and housing affordability.

According to a 2023 Resonance Consultancy ranking of US cities based on a combination of factors such as population, workforce growth, infrastructure, economy, and leisure options, Tampa ranked 27th among US cities.[26] Additionally, Tampa ranks as the number-one best place to live in Florida.[27]

As of March 2024, the Air Trade Area has a lower inflation rate than the Miami–Fort Lauderdale–West Palm Beach, Florida, MSA and the Orlando-Kissimmee-Sanford, Florida, MSA.[28]

Recent business additions to the Tampa area include the following:

- From CY 2018 through CY 2022, notable companies like The Mosaic Company, OPSWAT, Suzuki Marine USA, AFC Logistics, and Signode relocated their corporate headquarters to Tampa, citing the business climate and quality of life.[29]
- In 2023, Benchmark Technology Corp, the Atlanta-based company, officially made Tampa its corporate headquarters, moving employees and seeking office space in downtown Tampa.[30]
- In 2023, Cansortium Inc., operating under the FLUENT™ brand, announced its relocation of headquarters from Miami to Tampa. The company plans to create more than 30 new jobs across various departments with an average salary of $100,000.[31]

Employee recruitment and retention in the Air Trade Area is facilitated by the Air Trade Area's reputation for livability and low cost of living. The Air Trade Area ranked 24th among the top 150 metropolitan areas included in U.S. News & World Report's "150 Best Cities to Live" list for 2023, which was due, in part, to below-average housing cost, nightlife options, parks, and favorable climate.[32]

[25] Milken Institute, "Best-Performing Cities 2023: Thriving in a Changing Economic Landscape," https://milkeninstitute.org/report/best-performing-cities-2023 (accessed April 19, 2024).

[26] Resonance, "America's Best Cities," https://www.worldsbestcities.com/rankings/americas-best-cities/ (accessed April 19, 2024).

[27] Forbes, "Best Places to Live in Florida in 2024," https://www.forbes.com/advisor/mortgages/real-estate/best-places-to-live-in-florida/ (accessed April 22, 2024).

[28] Florida Chamber of Commerce, "Florida by the Numbers – March 2024," https://www.flchamber.com/research/the-florida-scorecard/ (accessed April 20, 2024).

[29] Tampa Bay Economic Development Council, "Corporate HQ – 2023," https://tampabayedc.com/target-industries-2/corporate-hq/ (accessed May 3, 2024).

[30] Tampa Bay Business Journal, "Atlanta company finalizes relocation to Tampa, plans to find space for corporate headquarters," https://www.bizjournals.com/tampabay/news/2023/11/09/atlanta-company-to-tampa-hq.html (accessed May 3, 2024).

[31] Fox 59, "FLUENT Moves U.S. Headquarters to Tampa, Florida," https://fox59.com/business/press-releases/cision/20230516VA01084/fluent-moves-u-s-headquarters-to-tampa-florida/ (accessed May 3, 2024).

[32] U.S. News & World Report, "150 Best Places to Live in the U.S. in 2023–2024," https://realestate.usnews.com/places/rankings/best-places-to-live (accessed April 20, 2024).

Table 4-6 presents the major employers in the Air Trade Area, as measured by the number of employees.[33] As shown, there are 30 private or public entities in the Air Trade Area with 4,500 or more employees. The largest employer in the area is State of Florida with over 34,000 local employees, followed by MacDill Air Force Base (31,000 employees); BayCare Health System (29,402 employees); Publix Super Markets Inc. (27,000 employees); and the Hillsborough County School District (23,750 employees).

TABLE 4-6 MAJOR EMPLOYERS IN THE AIR TRADE AREA

EMPLOYER	DESCRIPTION	# OF LOCAL EMPLOYEES
State of Florida	State government	34,700
MacDill Air Force Base	Air Force base	31,000
BayCare Health System	Health care system	29,402
Publix Super Markets Inc.	Grocery store chain	27,000
Hillsborough County School District	Public school district	23,750
HCA West Florida Division	Health care system	17,000
University of South Florida	University	14,980
Polk County Public School District	Public school district	13,363
Pinellas County School District	Public school district	12,865
AdventHealth West Florida Division	Health care system	12,000
Pasco County School District	Public school district	11,402
Hillsborough County	County government	11,073
Citigroup	Bank	10,000
Sarasota Memorial Health Care System	Health care system	9,000
US Postal Service	Postal service	8,272
H. Lee Moffitt Cancer Center & Research Institute	NCI-designated comprehensive cancer program	8,135
Tampa General Hospital	Hospital	8,135
Lakeland Regional Health System	Health care system	6,400
Pinellas County Government	County government	6,200
Sarasota County School District	Public school district	5,937
JPMorgan Chase & Co.	Financial services	5,700
Manatee County Public Schools	Public school district	5,626
Progressive Insurance	Property and casualty insurance	5,350
Raymond James Financial Inc.	Financial services	5,200
James A. Haley VA Medical Center	Veterans’ hospital	5,200
Bloomin' Brands Inc.	Casual dining company	5,000
City of Tampa	City government	4,889
Polk County Government	County government	4,789
Seminole Hard Rock Hotel & Casino	Hotel and casino	4,500
Bay Pines VA Healthcare System	Veterans’ health care system	4,500

NOTES:
NCI – National Cancer Institute
Employee numbers include those in Hernando, Hillsborough, Pasco, and Pinellas Counties (the Air Trade Area, collectively), as well as Polk, Manatee, and Sarasota Counties. Some employee numbers are estimates.
SOURCE: Tampa Bay Business Journal, “Largest Employers in Tampa Bay,” https://www.bizjournals.com/tampabay/subscriber-only/2023/07/14/largest-employers-in-tampa-bay.html (accessed April 23, 2024).

[33] Employee numbers include those in Hernando, Hillsborough, Pasco, and Pinellas Counties (the Air Trade Area, collectively), as well as Polk, Manatee, and Sarasota Counties.

In 2023, 5 of the 23 Fortune 500 companies headquartered in Florida were in the Air Trade Area: TD Synnex (ranked 64th; an American multinational corporation that provides information technology services); Jabil Circuit, Inc. (ranked 121st; a global electronic manufacturing services provider); The Mosaic Company (ranked 217th; the world's largest supplier of phosphate and potash); Crown Holdings, Inc. (ranked 317th; a packaging company); and Raymond James Financial, Inc. (ranked 363rd; a financial services firm).[34,35]

The Air Trade Area has a favorable climate for the growth of businesses that are headquartered abroad, stimulating potential demand for international air travel at the Airport. Nearly 500 foreign-owned companies representing nearly 40 nations have operations in Tampa. Foreign-owned enterprises and foreign direct investment contribute significantly to the economy and facilitate the spread of global knowledge, technologies, and ideas critical to innovation and competitiveness in the economy.[36]

The City of Tampa describes the Air Trade Area's economy as the following: "founded on a diverse base that includes tourism, agriculture, construction, finance, health care, government, technology, and the Port of Tampa."[37] Sources of economic diversity in the region are discussed in this section by focusing on the following nonagricultural employment sectors, listed in order of their contribution to the Air Trade Area's employment base (see Table 4-7): professional and business services, education and health services, trade, leisure and hospitality, government, financial, construction, manufacturing, other services, transportation/utilities, and information.[38]

4.2.4 EMPLOYMENT BY MAJOR INDUSTRIAL SECTOR

Table 4-7 summarizes the nonagricultural employment trends by major industry sector and compares the Air Trade Area's employment trends to those of the nation for CY 2013, and CY 2023. As shown, nonagricultural employment in the Air Trade Area increased from approximately 1.2 million workers in CY 2013 to approximately 1.5 million workers in CY 2023. This increase represents a CAGR of approximately 2.7 percent during the period, compared to a CAGR of approximately 1.4 percent nationwide.

All major industry groups in the Air Trade Area experienced positive employment growth between CY 2013 and CY 2023, with the highest growth occurring in the transportation/utilities sector (6.4 percent). Along with the transportation/utilities sector, the construction, professional and business services, and financial sectors led employment growth in the Air Trade Area. All four sectors had higher growth than what was experienced in the nation during the same period.

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[34] Patch, "23 FL Companies Make Fortune 500 List for 2023," https://patch.com/florida/southtampa/23-fl-companies-make-fortune-500-list-2023 (accessed April 19, 2024).

[35] Tampa Bay Business Journal, "Here are the Tampa Bay area companies on the 2023 Fortune 500 list," https://www.bizjournals.com/tampabay/news/2023/06/07/here-are-the-tampa-bay-area-companies-on-the-2023.html (accessed April 19, 2024).

[36] Tampa Bay Economic Development Council, "International Services," https://tampabayedc.com/edc-services/international-services/ (accessed April 22, 2024).

[37] City of Tampa, "About Us," https://www.tampa.gov/about-us (accessed April 22, 2024).

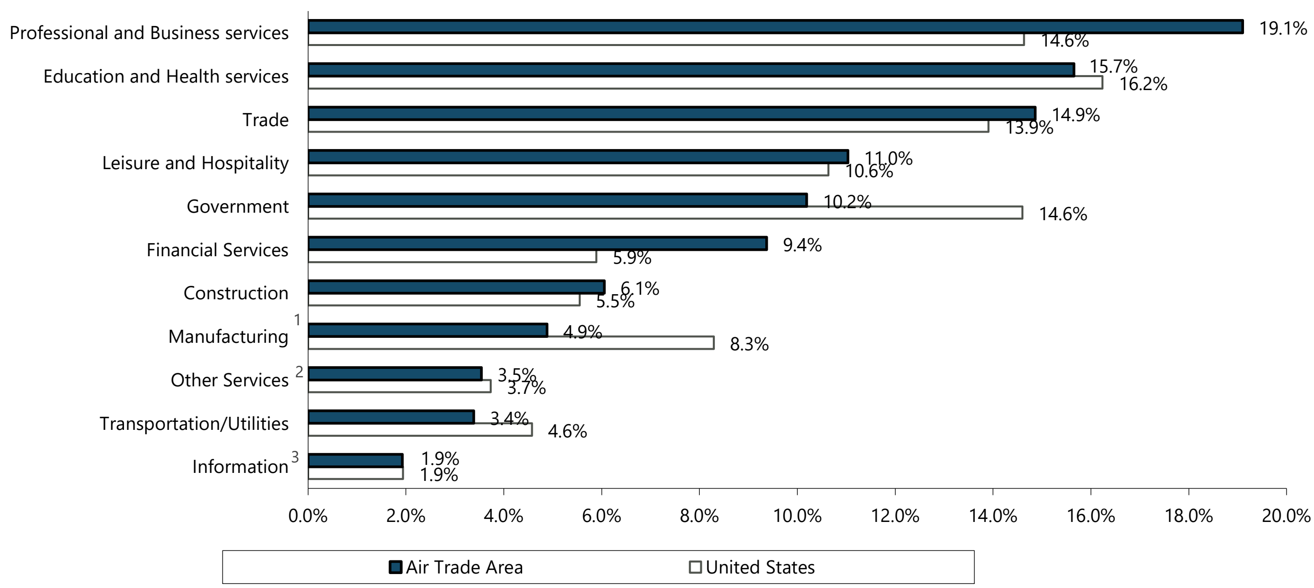
[38] The 10 industry sectors discussed in this section and displayed in Table 4-7 correspond to the 11 "supersectors" defined by the US Bureau of Labor Statistics' grouping by North American Industry Classification System code, with one exception; due to low employment in the mining and logging supersector, it is included in the construction sector in this Report.

TABLE 4-7 EMPLOYMENT TRENDS BY MAJOR INDUSTRIAL SECTOR

(Employment in Thousands)

	AIR TRADE AREA NONAGRICULTURAL EMPLOYMENT			UNITED STATES NONAGRICULTURAL EMPLOYMENT		
SECTOR	CY 2013	CY 2023	CAGR CY 2013 – CY 2023	CY 2013	CY 2023	CAGER CY 2013 – CY 2023
Professional and Business Services	196.3	292.8	4.1%	18,623	22,840	2.1%
Education and Health Services	183.5	240.0	2.7%	21,086	25,342	1.9%
Trade	194.9	227.8	1.6%	20,697	21,706	0.5%
Leisure and Hospitality	133.3	169.1	2.4%	14,254	16,593	1.5%
Government	152.2	156.2	0.3%	21,853	22,782	0.4%
Financial Services	101.6	143.7	3.5%	7,886	9,197	1.5%
Construction	56.9	92.8	5.0%	6,719	8,658	2.6%
Manufacturing	60.2	74.9	2.2%	12,020	12,940	0.7%
Other Services	43.9	54.3	2.1%	5,483	5,826	0.6%
Transportation/Utilities	27.9	51.9	6.4%	5,038	7,141	3.6%
Information	26.1	29.5	1.2%	2,706	3,027	1.1%
Total	**1,177**	**1,533**	**2.7%**	**136,363**	**156,051**	**1.4%**

Percent of CY 2023 Nonagricultural Employment



NOTES:
CAGR – Compounded Annual Growth Rate
CY – Calendar Year
Numbers may not sum due to rounding.
1 Includes mining and logging employment.
2 The nonagricultural employment for the services sector includes outsourcing from the manufacturing sector.
3 The information sector includes communications, publishing, motion picture and sound recording, and online services.
SOURCE: US Department of Labor, Bureau of Labor Statistics, April 2024.

As shown in the bar chart in Table 4-7, employment in the Air Trade Area in CY 2023 was significantly more concentrated in the professional and business services, trade, and financial sectors than it was in the nation. Contrarily, employment in government, manufacturing, and transportation/utilities was significantly less concentrated in the Air Trade Area than it was in the nation.

Changes in the Air Trade Area's nonagricultural employment sector makeup differ from the national trends that occurred between CY 2013 and CY 2023. In the Air Trade Area, it was primarily government and trade that lost some of their share of total employment to the professional and business services, construction, and transportation/utilities sectors, as employment in the latter increased at faster CAGRs than the former. The remaining sectors were within a percentage point of the average for total employment in the Air Trade Area. In the nation, the changes in employment makeup by sector were not as significant as the Air Trade Area, with only the professional and business services sector increasing by a percentage point above the average for total employment, while government, and trade sectors decreased by more than a percentage point below the average for total employment between CY 2013 and CY 2023. The largest variances in growth between the employment sectors of the Air Trade Area and the nation between CY 2013 and CY 2023 were due to the Air Trade Area experiencing significantly more growth in the construction, professional and business services, financial services, and transportation/utilities sectors than the nation, while the only sector that experienced less growth than the nation was the government sector.

4.2.4.1 PROFESSIONAL AND BUSINESS SERVICES

In CY 2023, the professional and business services sector accounted for approximately 292,800 employees in the Air Trade Area, the highest employment level among all sectors. The professional and business services sector is significantly more concentrated in the Air Trade Area than it is in the nation, accounting for 19.1 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 14.6 percent in the nation.

Professional and business services employment in the Air Trade Area increased at a CAGR of 4.1 percent between CY 2013 and CY 2023, compared to a 2.1 percent increase for the nation over the same period.

Professional services providers, while large in number, primarily employ smaller numbers of employees per firm (less than 4,000 employees). Larger professional services providers with offices in the Air Trade Area include Baker McKenzie and PricewaterhouseCoopers. The US Bureau of Labor Statistics projects incremental job growth for the professional and business services industry through 2032. However, firms may face challenges in filling certain positions due to evolving roles and skill requirements. [39]

4.2.4.2 EDUCATION AND HEALTH SERVICES

In CY 2023 the education and health services sector accounted for approximately 240,000 employees in the Air Trade Area, the second highest employment level among all sectors. The education and health services sector accounted for 15.7 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 16.2 percent in the nation. Education and health services employment in the Air Trade Area increased at a CAGR of 2.7 percent between CY 2013 and CY 2023, compared to a 1.9 percent increase for the nation over the same period. Major subsectors in the education and health services sector are higher education and health services, which are described in the following subsections.

[39] CBIZ, "Strategic Outlook: The Trends Shaping Professional Services Firms," https://www.cbiz.com/insights/articles/article-details/strategic-outlook-the-trends-shaping-professional-services-firms (accessed April 22, 2024).

Higher Education

Higher education is provided in the Air Trade Area by two major universities, as well as several colleges, community colleges, and technical/vocational/business schools. These educational institutions generate demand for airline service through academic meetings and conferences, visiting professorships, study abroad programs, and individual student and faculty travel.

The University of South Florida (USF) is one of the largest public universities in the nation (based on enrollment), and among the top 50 universities, public or private, for federal research expenditures.[40] USF is one of only five Florida public universities classified by the Carnegie Foundation for the Advancement of Teaching (Carnegie Foundation) in the top tier of research universities, "R1: Doctoral Universities – Very high research activity," a distinction attained by only six Florida universities.[41] More than 49,000 students are currently enrolled in over 240 undergraduate, masters, specialist, and doctoral programs, including Doctor of Medicine; 11.8 percent of the 49,000 students are international students, hailing from 79 countries. The USF system has three campuses (the main campus in Tampa, USF St. Petersburg, and USF Sarasota-Manatee) and has approximately 15,000 employees in the Air Trade Area.[42, 43] As one of only three Florida-located members of the Association of American Universities (AAU), USF is formalized as a leading research university with enhanced funding opportunities and will further drive economic development in Florida, with an annual impact of $6 billion and support for over 68,000 jobs.[44] The university is also home to the Center for Advanced Medical Learning and Simulation, a state-of-the-art facility providing numerous forms of health professional education and training, for both individuals and teams, at one facility.[45] In early 2020, USF opened an approximately $173 million expansion and relocation of a portion of the medical school to downtown Tampa to accommodate the Morsani College of Medicine and the USF Heart Health Institute. In 2023, USF Health Morsani College of Medicine researchers received an initial grant of $14 million from the Florida Legislature to conduct a clinical trial to evaluate the efficacy of Hyperbaric Oxygen Therapy on individuals with traumatic brain injury.[46] A new 35,000-seat on-campus stadium is scheduled to open in 2027 with an estimated total cost of $340 million.[47]

The University of Tampa (UT) is a private university located on 105 acres of riverfront land in downtown Tampa. UT had an enrollment of approximately 11,054 students in the 2023 to 2024 academic year. UT attracts students from diverse backgrounds representing 130 countries and offers 200 undergraduate and graduate programs at its four

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[40] Tampa Bay Economic Development Council, "University of South Florida," https://tampabayedc.com/edc-investor-cpt/university-of-south-florida/ (accessed April 22, 2024).

[41] Carnegie Foundation for the Advancement of Teaching, https://carnegieclassifications.acenet.edu/institutions/?basic2021__du%5B%5D=15 (accessed June 3, 2024).

[42] Tampa Bay Economic Development Council, "University of South Florida," https://tampabayedc.com/edc-investor-cpt/university-of-south-florida/ (accessed April 22, 2024).

[43] University of South Florida, *Pocket Fact Book 2022–2023*, https://www.usf.edu/ods/documents/factbook-2022-23-final.pdf (accessed April 22, 2024).

[44] University of South Florida, "University of South Florida Joins the AAU," https://www.usf.edu/news/2023/aau-membership-to-bring-extraordinary-benefits.aspx (accessed June 3, 2024).

[45] University of South Florida, "Team-Based Education, Practice and Simulation for Health Professionals," https://health.usf.edu/giving/team-based-education-practice-and-simulation (accessed April 22, 2024).

[46] University of South Florida, "USF Health granted initial $14 million for traumatic brain injury research study," https://www.usf.edu/health/news/2024/hbot-initial-grant-release.aspx (accessed April 22, 2024).

[47] WUSF, "USF announces when it will break ground on the Bulls' on-campus football stadium," https://www.wusf.org/university-beat/2024-04-11/usf-break-ground-date-new-football-stadium (accessed May 27, 2024).

colleges: the John H. Sykes College of Business; the College of Arts and Letters; the College of Natural and Health Sciences; and the College of Social Science, Mathematics, and Education.[48,49] In its recent rankings, The Princeton Review recognized UT as one of the top 389 institutions in the nation for undergraduate education, a distinction shared by only 15 percent of 4-year colleges in the United States. Additionally, in 2024, the UT undergraduate and graduate entrepreneurship programs were ranked first and second in the South, respectively. Nationally, these programs were ranked 15th and 16th by The Princeton Review in partnership with *Entrepreneur* magazine.[50]

Other colleges and universities in the Air Trade Area include St. Petersburg College, Hillsborough Community College, Pasco-Hernando Community College, Saint Leo University, Eckerd College, Thomas M. Cooley Law School, and Stetson University College of Law.

Health Services

The health services industry plays a major role in the Air Trade Area, and it will continue to become more significant as the Air Trade Area's population ages. With approximately 7,900 physicians and nearly 40 hospitals (many of which were ranked on U.S. News & World Report's "America's Best Hospitals" list), including 9 teaching hospitals, the Air Trade Area offers a wide range of advanced medical services.

Tampa General Hospital (TGH) is the primary teaching hospital affiliated with the USF College of Medicine and is the largest healthcare facility in the Air Trade Area. The private not-for-profit hospital has approximately 1,041 beds and 2,032 affiliated medical staff (including over 700 physicians in the university's residency program).[51] Some of the hospital's special services include a Level 1 trauma center, five patient transport helicopters, and a regional burn center.[52] In the 2023 to 2024 rankings by U.S. News & World Report, it was named the number-one hospital in the Tampa Bay region. Moreover, TGH has achieved national recognition, being ranked among the top 50 hospitals in the nation in six specialties.[53] The hospital is also one of the busiest organ transplant centers in the nation.[54] TGH has more than 8,000 employees in the Air Trade Area. In December 2023, TGH received approval from the City of Tampa for the construction of the TGH Surgical, Neuroscience & Transplant Pavilion, a 13-story, 565,000-square-foot medical facility. This state-of-the-art pavilion will house 144 patient beds, 32 operating suites, and increased intensive care unit (ICU) capacity, with additional space for education, training, and future growth.[55] TGH has completed the $300 million acquisition of Bravera Health, expanding its presence in Hernando and Citrus Counties.

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[48] University of Tampa, "UT Sets Another Record with More Than 11,000 Students for the Academic Year," https://www.ut.edu/news-and-ut-life/ut-sets-another-record-with-more-than-11000-students-for-the-academic-year (accessed April 22, 2024).

[49] University of Tampa, "Degree Programs," https://www.ut.edu/academics/degree-programs (accessed April 22, 2024).

[50] University of Tampa, "Recognition and Rankings," https://www.ut.edu/rankings (accessed April 22, 2024).

[51] Tampa General Hospital, "Tampa General Hospital Fact Sheet," https://www.tgh.org/about-tgh/tgh-fact-sheet (accessed April 22, 2024).

[52] U.S. News & World Report, "Tampa General Hospital," https://health.usnews.com/best-hospitals/area/fl/tampa-general-hospital-6391060 (accessed April 22, 2024).

[53] City of Tampa, "Health Care," https://www.tampa.gov/info/healthcare (accessed April 22, 2024).

[54] Tampa General Hospital, "Tampa General Hospital Fact Sheet," https://www.tgh.org/about-tgh/tgh-fact-sheet (accessed April 22, 2024).

[55] Tampa General Hospital, "Tampa General Hospital Reveals Plan for a State-of-the-Art Pavilion as Part of the Burgeoning Tampa Medical & Research District," https://www.tgh.org/news/tgh-press-releases/2023/december/tgh-reveals-plan-for-snt-pavilion#:~:text=Construction%20on%20the%20new%20TGH%20Surgical%2C%20Neuroscience,expected%20to%20be%20completed%20within%20three%20years (accessed April 22, 2024).

The acquired hospitals and clinics will operate under the new division name TGH North, aiming to provide advanced healthcare services to the local communities. [56]

Other large hospitals in the Air Trade Area are the 897-bed St. Joseph's Hospital and Children's Hospital in Tampa, which has 80 pediatric physician specialists representing 25 medical and surgical disciplines.[57] The 599-bed Morton Plant Hospital in Clearwater, which provides highly specialized care in more than 50 specialty areas.[58] St. Joseph's Hospital and Morton Plant Hospital are the anchor of the BayCare Health System, a network of 16 private not-for-profit hospitals, outpatient facilities, and services, such as imaging, lab, behavioral health, and home health care. BayCare Health System is the third-largest employer in the Air Trade Area, employing over 29,000 individuals. BayCare Health System has announced plans to construct a new children's hospital to replace the current St. Joseph's Children's Hospital in Tampa, set to be completed by 2030. The facility will aim to accommodate the area's growth and incorporate the latest medical advances. [59] The two other major health services employers in the Air Trade Area are the private, for-profit HCA West Florida Division system (approximately 17,000 employees) and the private, not-for-profit AdventHealth West Florida Division hospital system (approximately 12,000 employees).

Considered to be one of the fastest-growing cancer centers in the United States, the private, not-for-profit H. Lee Moffitt Cancer Center & Research Institute is the only Florida-based National Cancer Institute–designated Comprehensive Cancer Center.[60] The main cancer center on the USF campus includes a 206-bed hospital. U.S. News & World Report's "2021 to 2022 Best Hospitals" included the H. Lee Moffitt Cancer Center in its national ranking for cancer treatment. The Moffitt at SouthShore campus, located in Ruskin, Florida, is set to open in January 2025 and will serve patients from South Hillsborough County, including Brandon and Sun City Center. The 75,000-square-foot facility will offer radiology, infusions, blood draw, and clinical trials, and it is designed to serve nearly 8,824 patients within the first 5 years.[61] Moffitt Cancer Center has introduced "Speros FL," a 775-acre campus in Pasco County with 16 million square feet of space for labs, offices, and more, potentially including educational and wellness facilities.[62] Moffitt McKinley Hospital is a 498,000 square feet, 10-story, 128-bed, and 19 operating rooms inpatient surgical facility opened in July 2023. This new facility aims to boost inpatient care capacity to serve more patients, modernize treatment for solid tumor cancers, and invest in image-guided surgical oncology. [63]

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[56] Business Observer, "Tampa hospital completes $300M acquisition, forms new unit," https://www.businessobserverfl.com/news/2023/dec/02/tampa-hospital-completes-acquisition/ (accessed May 27, 2024).

[57] BayCare, "St. Joseph's Children's Hospital," https://baycare.org/locations/hospitals/st-josephs-childrens-hospital/patients-and-visitors (accessed April 23, 2024).

[58] BayCare, "Morton Plant Hospital," https://baycare.org/locations/hospitals/morton-plant-hospital/about-us (accessed April 23, 2024).

[59] Health News Florida, "BayCare announces plans to replace St. Joseph's Children's Hospital in Tampa," https://health.wusf.usf.edu/health-news-florida/2023-10-11/baycare-announces-plans-to-replace-st-josephs-childrens-hospital-in-tampa (accessed May 27, 2024).

[60] Moffitt Cancer Center, "Florida's Top Choice for the Best Outcomes," https://www.moffitt.org/ (accessed April 23, 2024).

[61] Moffitt Cancer Center, "Moffitt at SouthShore to Open in January 2025," https://www.moffitt.org/endeavor/archive/moffitt-at-southshore-to-open-in-january-2025/#:~:text=In%20January%20of%202025%2C%20Moffitt,County%20for%20the%20first%20time (accessed May 27, 2024).

[62] Moffitt Cancer Center, "Moffitt Cancer Center Introduces 'Speros FL,' Its 775-Acre Pasco County Global Innovation Center," https://www.moffitt.org/endeavor/archive/moffitt-cancer-center-introduces-speros-fl-its-775-acre-pasco-county-global-innovation-center/ (accessed June 20, 2024).

[63] HDR, "Moffitt Cancer Center, Moffitt McKinley Hospital Moffitt Cancer Center Exterior," https://www.hdrinc.com/portfolio/moffitt-cancer-center-moffitt-mckinley-hospital (accessed June 20, 2024).

4.2.4.3 TRADE

In CY 2023, the trade sector accounted for approximately 227,800 employees in the Air Trade Area, the third-highest employment level among all sectors. The trade sector accounted for 14.9 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 13.9 percent in the nation. Trade employment in the Air Trade Area increased at a CAGR of 1.6 percent between CY 2013 and CY 2023, compared to a 0.5 percent increase for the nation over the same period.

Hillsborough County's main retail centers include the upscale International Plaza mall (anchored by Dillard's, Neiman Marcus, and Nordstrom), WestShore Plaza, Citrus Park Town Center Mall, Westfield Brandon Mall, and Midtown Tampa retail/residential development, as well as the specialty store–focused Hyde Park Village, an open-air shopping center located within the heart of one of Tampa's older neighborhoods.

One indicator of growth in the trade sector is retail sales, defined as all net sales (gross sales minus refunds and allowances for returns) for establishments engaged primarily in retail trade. **Table 4-8** presents total retail sales for the Air Trade Area, Florida, and the United States between CY 2012 and CY 2022. As shown in the table, between CY 2012 and CY 2022, total retail sales in the Air Trade Area increased at a CAGR of 4.3 percent, higher than both Florida's growth rate (3.9 percent) and the United States' growth rate (3.1 percent) during this period.

TABLE 4-8 TOTAL RETAIL SALES

(In 2017 Dollars, Amounts in Billions)

YEAR	TOTAL RETAIL SALES		
	AIR TRADE AREA	FLORIDA	UNITED STATES
Historical			
CY 2012	$46.93	$324.53	$5,005.90
CY 2013	$48.34	$333.33	$5,120.17
CY 2014	$50.28	$344.87	$5,264.95
CY 2015	$52.42	$357.17	$5,387.73
CY 2016	$54.38	$367.62	$5,492.60
CY 2017	$56.47	$378.25	$5,627.75
CY 2018	$58.19	$389.37	$5,755.90
CY 2019	$59.49	$397.88	$5,851.71
CY 2020	$59.79	$398.95	$5,826.74
CY 2021	$68.73	$457.63	$6,621.36
CY 2022[1]	$71.39	$475.37	$6,775.08
Projected			
CY 2030	$81.97	$552.79	$7,582.40
Compound Annual Growth Rate			
CY 2012 – CY 2022	4.3%	3.9%	3.1%
CY 2022 – CY 2030	1.7%	1.9%	1.4%

NOTES:
CY – Calendar Year
1 CY 2022 is the last year of historical data in the Woods & Poole Economics, Inc. (Woods & Poole) database and is the basis for Woods & Poole's projections. Therefore, it is the last year of historical data displayed in this table. More recent data may be available from other sources.
SOURCE: Woods & Poole Economics, Inc., *2024 Complete Economic and Demographic Data Source (CEDDS)*, July 2024.

Table 4-8 also presents projections of total retail sales for CY 2030. According to data from Woods & Poole, total retail sales for the Air Trade Area are projected to increase from approximately $71.4 billion in CY 2022 to approximately $82.0billion in CY 2030, reflecting a CAGR of 1.7 percent between CY 2022 and CY 2030. Growth in Florida's total retail sales is projected to be faster than the Air Trade Area with a CAGR of approximately 1.9 percent between CY 2022 and CY 2030, while growth in the nation's total retail sales is projected to be slower, with a projected CAGR of 1.4 percent.

With nearly 60,000 exporting companies, Florida is second only to California in the nation in the number of companies that export. [64] The total value of exports from Tampa, Florida, in 2023 was $12.8 billion, making it the 29th largest exporter out of the 43 export districts in the United States.[65] Overall, the travel and tourism and business services sectors typically comprise the largest share of the Air Trade Area's exported services. According to USA Trade Census data, top goods exported in CY 2023 (by value) were aircraft parts, cars, industrial supplies and materials, and medications.[66]

4.2.4.4 LEISURE AND HOSPITALITY

In CY 2023, the leisure and hospitality sector accounted for approximately 169,100 employees in the Air Trade Area, the fourth-highest employment level among all sectors. The leisure and hospitality sector accounted for 11.0 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 10.6 percent in the nation. Leisure and hospitality employment in the Air Trade Area increased 2.4 percent between CY 2013 and CY 2023, compared to a 1.5 percent increase for the nation over the same period.

The leisure and hospitality industry represents one of the larger service categories in the Air Trade Area, which on average receives 361 days of sunshine each year.[67] The growth of this industry is a significant driver of services-related employment and air travel demand at the Airport. According to the report *The Tampa Visitor Economy 2022*, the number of visitors to Hillsborough County was approximately 27 million in CY 2022, and those visitors spent approximately $5.4 billion on tourism. This total economic impact generated 57,571 jobs and produced $514.0 million in state and local tax revenues in 2022.[68] In 2023, Tampa's hospitality market experienced growth in Revenue per Available Room, driven by an increase in Average Daily Rate (ADR). The group segment played a significant role, with group ADR rising by 12 percent.[69]

In support of leisure travel and conventions in the Air Trade Area, there are over 170 hotels and more than 25,000 hotel rooms in Hillsborough County alone; $65 million in tourist development (bed) taxes were generated by visitors to Tampa and Hillsborough County in CY 2023. In CY 2023, according to Hillsborough County's Economic Impact

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[64] US Census Bureau, "A Profile of U.S. Importing and Exporting Companies, 2020–2021," https://www.census.gov/foreign-trade/Press-Release/edb/edbrel2021.pdf (accessed April 23, 2024).

[65] Datawheel, Observatory of Economic Complexity (OEC), "Tampa District in Florida," https://oec.world/en/profile/subnational_usa_district/tampa-fl (accessed April 23, 2024).

[66] Bureau of Economic Analysis, *US International Trade in Goods and Services*, https://www.census.gov/foreign-trade/Press-Release/current_press_release/ft900.pdf (accessed April 23, 2024).

[67] Pinellas County, "Facts About Pinellas County," http://www.pinellascounty.org/facts.htm (accessed April 24, 2024).

[68] Tourism Economics, *The Tampa Visitor Economy 2022*, https://assets.simpleviewinc.com/simpleview/image/upload/v1/clients/tampabay/Hillsborough_County_Economic_Impact_2022_07b76c87-1e10-4abf-a260-663fc7dacb46.pdf (accessed April 24, 2024).

[69] Matthews, *Hospitality Market Report, Tampa*, https://www.matthews.com/hospitality-market-report-tampa-fl/ (accessed April 24, 2024).

Study, hotel occupancy was approximately 72 percent.[70] The occupancy rate was higher than that experienced by the nation (63 percent) during the same period.[71] In 2023, Tampa and Hillsborough County experienced their best year with almost $1.1 billion in hotel revenue, partly attributable to Taylor Swift concerts in April 2023, which led to over 93 percent of Hillsborough County's hotel rooms being booked. Tampa leads in hospitality recovery, surpassing pre–COVID-19 group booking numbers with an approximately 116 percent revenue recovery rate.[72] Several new hospitality options have emerged in downtown Tampa, reflecting the city's growing and diverse accommodation landscape. Among them are Hotel Flor Downtown, recently renovated in 2023 which offers modern hospitality in a historic building. The Holiday Inn Express Stadium Area, opened in the same year, provides contemporary guest facilities near sports venues. Tampa EDITION, which launched in September 2022, has 172 rooms and a rooftop bar, catering to upscale travelers. Additionally, Roost Tampa, opened in 2022, offers versatile studio to multi-bedroom units, catering to both short and extended stays.[73] Scheduled for full completion in CY 2027, Water Street Tampa is a $3 billion multi-purpose development covering 16 blocks of the city's waterfront and adding 56 acres, which will nearly double the skyline of downtown Tampa. Upon completion, in addition to approximately 3,500 new residential units and more than 1,400 hotel rooms, Water Street Tampa will provide 1 million square feet of retail and entertainment space, including 150,000 square feet of meeting and event space.[74] The primary convention center in the Air Trade Area is the Tampa Convention Center, a 600,000-square-foot facility located on the waterfront of downtown Tampa. The Convention Center includes a 200,000-square-foot exhibit hall, a 3,600-square-foot ballroom, and 52 breakout rooms.[75]

Additionally, there is a significant increase in online searches for "cruise destinations," indicating a growing interest in cruise vacations.[76] Tampa is home to eight ships from five cruise lines, including Carnival Cruise Line and Royal Caribbean. The cruise industry has a strong presence at Port Tampa Bay (the Port) and is a significant source of air travel demand at the Airport. The Port is on target to accommodate a throughput of 1.1 million cruise passenger arrivals in 2024.[77]

Primary leisure and hospitality–related attractions located in the Air Trade Area are the following:

- **Beaches.** The quality of life for which the Air Trade Area is best known is based on the numerous beaches located along the Gulf of Mexico. Fort De Soto Park and Caladesi Island have consistently been recognized as some of the best beaches in the United States. Fort De Soto Park consists of 5 islands and 7 miles of beach, and

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70 Hillsborough County, *2023 Annual Economic Development Indicators Report*, https://assets.contentstack.io/v3/assets/blteea73b27b731f985/blt7013101b876640ac/2023_Annual_Economic_Indicators_Report.pdf (accessed April 24, 2024).

71 Smith Travel Research, "U.S. hotel commentary," https://str.com/data-insights-blog/us-hotel-commentary-december-full-year-2023 (accessed April 24, 2024).

72 Business Observer, "Tourism soars in Tampa Bay area," https://www.businessobserverfl.com/news/2023/oct/31/tourism-soars-tampa-bay-area/ (accessed April 25, 2024).

73 New Hotels Opening, "New Hotels in Tampa FL 2023 – 2024 Best Newest Openings," https://www.newhotelsopening.com/new-hotels-in-tampa-fl.html (accessed April 25, 2024).

74 Crane, Brianna and Ben Montgomery, "User's guide: Everything you need to know about Water Street Tampa," https://www.axios.com/local/tampa-bay/2021/10/13/users-guide-everything-know-about-water-street-tampa (accessed April 25, 2024).

75 City of Tampa, "Tampa Convention Center," https://www.tampa.gov/tcc (accessed April 25, 2024).

76 Cruise Hive, "Over 15% Increase in Web Traffic for Cruise Lines," https://www.cruisehive.com/over-15-increase-in-web-traffic-for-cruise-lines/103503 (accessed May 8, 2024).

77 Cruise Hive, "New Findings Reveal the Best Cruise Destinations," https://www.cruisehive.com/new-findings-reveal-the-best-cruise-destinations/126599 (accessed April 25, 2024).

Caladesi Island features 3-mile nature and kayak trails.[78] St. Pete Beach was voted number-one beach by Tripadvisor, and Clearwater Beach was ranked as 1 of the 15 top white-sand beaches in the world by *Travel + Leisure* in 2024. [79,80]

- **Busch Gardens and Adventure Island.** Busch Gardens Tampa Bay is home to two water adventure rides, eight world-class roller coasters, and African animal exhibits featuring more than 200 animal species. A notable family friendly new attraction at the park planned for a spring 2024 opening is Phoenix Rising[81]
- **Museum of Science and Industry.** The museum is one of the leading science centers in the southeastern United States and offers a planetarium, a ropes course, and more than 100 hands-on activities.
- **ZooTampa at Lowry Park.** Deemed the nation's best zoo for kids in 2023 by *USA Today*, ZooTampa features over 1,300 animals on 63 acres of natural habitats that comprise 6 main exhibit areas.
- **Clearwater Marine Aquarium and Florida Aquarium.** These two aquariums, located in Clearwater and Tampa, respectively, attracted over a million visitors combined in December 2023. The Clearwater Marine Aquarium announced comprehensive multi-year expansion plans in February 2024. The plans include a significant renovation and expansion of the animal hospital, which will provide guests with the opportunity to witness life-saving care in real time. [82]
- **Glazer Children's Museum.** Part of Tampa's Waterfront Arts District, the Glazer Children's Museum has 170 hands-on exhibits in multiple themed areas. Exhibits are designed to engage children in the discovery process through play.
- **Sparkman Wharf.** Part of the larger multi-purpose Water Street Tampa development, Sparkman Wharf is Tampa's latest outdoor and entertainment destination, featuring a beer garden, upscale shipping container restaurants, and a waterfront park. Additionally, the Heights District, a 50-acre urban district on the northern side of the Hillsborough River, includes Armature Works, a mixed-use commercial building consisting of Heights Public Market, multiple event spaces, co-shared workspace as well as multiple waterfront restaurants and bars. The project includes construction of roads, sidewalks, an extension of the Tampa Riverwalk, parking garages, and other essential infrastructure.
- **Ybor City.** The Air Trade Area's national landmark began when several immigrants came to live in Ybor City when they were offered home ownership for working in the cigar factories. Today, the historic Latin Quarter features shopping, dining, and entertainment that attracts approximately 2 million people annually. The Tampa City Council approved the conceptual site plan for the Ybor Harbor project, which includes 33 acres of mixed-use space to connect Channelside with Downtown Tampa and Ybor City. The development plans to add over 4,750 new residential units, with 10 percent dedicated to affordable housing. [83]

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[78] TripAdvisor, "Top 25 Beaches – United States," https://www.tripadvisor.com/TravelersChoice-Beaches-cTop-g191 (accessed April 25, 2024).

[79] St. Pete Beach, "News & Announcements," https://www.stpetebeach.org/ (accessed April 25, 2024).

[80] Travel + Leisure, "15 Best White-sand Beaches Around the World," https://www.travelandleisure.com/trip-ideas/beach-vacations/white-sand-beach (accessed April 25, 2024).

[81] United Parks & Resorts, Inc., "Phoenix Rising," https://buschgardens.com/tampa/roller-coasters/phoenix-rising/ (accessed April 25, 2024).

[82] Graham Media Group, "Clearwater Marine Aquarium announces multi-year expansion plans," https://www.clickorlando.com/news/local/2024/02/06/clearwater-marine-aquarium-announces-multi-year-expansion-plans/ (accessed April 25, 2024).

[83] Fox 13 Tampa Bay, "Ybor Harbor rezoning gets green light from Tampa City Council," https://www.fox13news.com/news/ybor-harbor-rezoning-gets-green-light-from-tampa-city-council (accessed May 27, 2024).

- **Salvador Dalí Museum, Tampa Art Museum, Straz Center for the Performing Arts, Glazer Children's Museum, and Museum of the American Arts and Crafts Movement (MAACM).** St. Petersburg and Tampa draw tourists interested in the arts with the Salvador Dalí Museum (which has nearly 1,500 Salvador Dalí paintings, drawings, and sculptures) and the Tampa Art Museum (which has a broad collection of modern and contemporary art). The Straz Center for the Performing Arts is home to Opera Tampa and five theaters. In 2024, the Salvador Dalí Museum created an artificial intelligence (AI) version of Salvador Dalí that can answer visitors' questions. This new AI installation, called "Ask Dalí," is based on a copy of Dalí's iconic sculpture and allows visitors to pick up the crustacean-shaped receiver, ask a question, and hear Dalí's response.[84] The Glazer Children's Museum fosters learning and exploration in children and families through a combination of permanent and traveling exhibits. Opened in 2021, MAACM displays a collection of fine and decorative arts from the Arts and Crafts Movement.

In addition to the primary leisure and hospitality–related attractions, the Air Trade Area has multiple live-work developments that also offer retail, food, and entertainment, including Midtown Tampa and Armature Works. The Tampa Riverwalk, located along the Hillsborough River, links various attractions along its 2.6-mile run.

Major outdoor festivals and events in the Air Trade Area attracting approximately 500,000 people include the Florida Strawberry Festival in Plant City (in Hillsborough County) and both the Florida State Fair and Gasparilla Pirate Fest in Tampa. For over a century, Tampa Bay has hosted two months of parades, festivals, and events called the Gasparilla Pirate Fest. This includes the nation's third-largest parade, road races, and music, art, and film festivals, attracting diverse age groups. Over 300,000 spectators are anticipated for the Ashley Children's Gasparilla Parade on January 18, 2025, and the Seminole Hard Rock Gasparilla Pirate Fest on January 25, 2025. [85]

Major spectator sports/events in the Air Trade Area include the following: Tampa Bay Buccaneers, a National Football League (NFL) franchise; the Tampa Bay Lightning, a National Hockey League (NHL) franchise; the Tampa Bay Rays, a Major League Baseball (MLB) franchise; the Tampa Bay Rowdies, a United Soccer League (USL) Championship franchise; the new Tampa Bay Sun FC, a USL Super League franchise; the spring training facilities for several MLB teams (e.g., New York Yankees, Philadelphia Phillies, Toronto Blue Jays); the ReliaQuest Bowl and Gasparilla Bowl college football games; the Professional Golfers' Association (PGA) Tour's Valspar Championship; the Ladies Professional Golf Association's (LPGA) Pelican Women's Championship; and the Firestone Grand Prix of St. Petersburg. As of 2024, Tampa Bay's new professional women's soccer team will compete at the highest level in the United States, following the US Soccer Federation's approval of the USL Super League's Division I sanctioning application.[86]

The Tampa Bay Rays have agreed to build a new 30,000-seat stadium on the current Tropicana Field site, with construction starting in late 2024. The $1.3 billion project, funded over half by the Rays and about $600 million from Pinellas County and St. Petersburg, includes a large mixed-use development featuring office space (1.4 million square feet), retail (0.75 million square feet), hotels (750 hotel rooms), entertainment (0.1 million square feet), and

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[84] Artnet, "Always Wanted to Ask Salvador Dalí a Question? Now You Can Through the Magic of A.I.," https://news.artnet.com/art-world/ask-salvador-dali-ai-dali-museum-2469870 (accessed April 25, 2024).

[85] City of Tampa, "2025 Gasparilla Parade Information," https://www.tampa.gov/special-events-coordination/gasparilla-parades-2025-information (accessed May 28, 2024).

[86] Tampa Bay Times, "Tampa Bay's women's pro soccer team to play at highest level in U.S.," https://www.tampabay.com/sports/2024/02/09/tampa-bay-sun-usl-super-league-division-one-sanctioning-womens-soccer/ (accessed May 28, 2024).

affordable housing (1,200 units with 600 additional units for seniors). The new stadium and development are set to be ready by Opening Day 2028. [87]

4.2.4.5 GOVERNMENT

In CY 2023, the government sector accounted for approximately 156,200 employees in the Air Trade Area, the fifth-highest employment level among all sectors. The government sector accounted for 10.2 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 14.6 percent in the nation. Government employment in the Air Trade Area and the nation both experienced slight increases (0.3 percent and 0.4 percent, respectively) between CY 2013 and CY 2023.

As shown in Table 4-6, numerous governmental organizations are among the major employers in the Air Trade Area.[88] The largest US federal government employer is MacDill Air Force Base (31,000 employees). The largest public primary/secondary educational employer and the fifth-largest employer in the Air Trade Area is the Hillsborough County School District (23,750 employees). The largest local full-service government employer is the State of Florida (34,700 employees).

The Air Trade Area is an important center for the US military. The 6th Air Mobility Wing, the US Central Command, and the US Special Operations Command are based at MacDill Air Force Base (which is located 8 miles south of downtown Tampa). The 6th Air Mobility Wing provides direct support for these two unified commands, as well as for more than 38 other mission partners that are stationed at MacDill Air Force Base. The US Central Command established “Coalition Village” at MacDill Air Force Base in 2001, which is an intelligence program that includes over 200 representatives from 55 countries that work together to share data and information to support peacekeeping activities throughout the world. The US Coast Guard also has a presence in the Air Trade Area, maintaining its largest and busiest air station in the Air Trade Area at PIE. MacDill Air Force Base in Tampa, Florida, will receive a new power station to enhance energy resilience during emergencies. This project, the largest energy assurance lease in Air Force history, will be funded by Tampa Electric (TECO Energy) at a cost of nearly $200 million, with partial operation expected by early 2025 and completion by the end of 2026. MacDill Air Force Base is also set to receive two Joby Aviation electric air taxis in 2025.[89] These aircraft are known for being virtually silent compared to traditional helicopters and are intended for non-combat purposes, such as transporting personnel and performing logistical tasks around the base. [90]

4.2.4.6 FINANCIAL

The financial sector comprises financial, insurance, and real estate services. In CY 2023, the financial sector accounted for approximately 143,700 employees in the Air Trade Area. The financial sector accounted for 9.4 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 5.9 percent in the nation. Financial

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[87] SportsTravel, “Tampa Bay Rays to Build New $1.3 Billion Stadium,” https://www.sportstravelmagazine.com/tampa-bay-rays-to-build-new-1-3-billion-stadium/ (accessed May 28, 2024).

[88] The employers listed in Table 4-6 include those with employees in Hernando, Hillsborough, Pasco, and Pinellas Counties (the Air Trade Area), as well as Manatee, Polk, and Sarasota Counties.

[89] Fox 13 Tampa Bay, “New power station to be built on MacDill Air Force Base to ensure they keep power in case of emergency,” https://www.fox13news.com/news/new-power-station-to-be-built-on-macdill-air-force-base-to-ensure-they-keep-power-in-case-of-emergency (accessed May 27, 2024).

[90] Fox 13 Tampa Bay, “Electric aircrafts coming to MacDill Air Force Base in 2025,” https://www.fox13news.com/news/electric-aircrafts-coming-to-macdill-air-force-base-in-2025 (accessed May 27, 2024).

employment in the Air Trade Area increased by 3.5 percent between CY 2013 and CY 2023, compared to a 1.5 percent increase for the nation over the same period.

The Air Trade Area could be the "next frontier" for financial companies, as financial firms operating in high-cost cities see relocation opportunities in regions with lower costs of living and doing business, like the Air Trade Area.[91] As shown in Table 4-6, Citigroup was the largest financial services employer in the Air Trade Area with approximately 10,000 employees. JPMorgan Chase Bank was the second-largest financial services employer in the Air Trade Area with approximately 5,700 employees. Other major financial services employers in the Air Trade Area include Raymond James Financial, Inc., with approximately 5,200 employees.

Total bank deposits are an indication of the economic activity of the financial sector. **Table 4-9** presents total bank deposits for the Air Trade Area, Florida, and the United States between the year ending June 30, 2012, and the year ending June 30, 2023. As shown, total bank deposits in the Air Trade Area increased from approximately $60.3 billion in the year ending June 30, 2012, to approximately $123.9 billion in the year ending June 30, 2023. This increase represents a CAGR of 6.8 percent during the period, which was higher than that for both Florida and the nation (CAGRs of 6.3 percent and 6.2 percent, respectively) during this same period. There was a surge in bank deposits in the first few months of the pandemic, as reflected in the significant increase in bank deposits between the year ending June 30, 2019, and the year ending June 30, 2020. Numerous factors contributed to the surge, including the billions of dollars the government provided to small businesses via Paycheck Protection Program loans and individuals via stimulus checks and unemployment benefits; the Federal Reserve's efforts to support financial markets, including an unlimited bond-buying program; and the uncertainty that prompted everyone from households to large corporations to keep more cash on hand.[92] Bank deposits in the Air Trade Area continued to increase throughout the pandemic and peaked in the year ending June 30, 2022, before dropping off in the following year, still at well above pre-pandemic bank deposit levels; a similar pattern was seen in the nation.

4.2.4.7 CONSTRUCTION

In CY 2023, the construction sector accounted for approximately 92,800 employees in the Air Trade Area. In CY 2023, the construction sector accounted for 6.1 percent of total nonagricultural employment in the Air Trade Area, compared to 5.5 percent in the nation. Construction employment in the Air Trade Area increased by 5.0 percent between CY 2013 and CY 2023, compared to a 2.6 percent increase for the nation over the same period.

In December 2023, the US construction industry experienced growth across all major segments, with a 14 percent increase in overall spending compared to December 2022. Residential construction spending increased by 7 percent, driven by a 10 percent rise in single-family homebuilding. Nonresidential construction spending surged by 20 percent, propelled by significant increases in both private projects and public investments. Forecasts for 2024 indicate modest growth in single-family homebuilding, a decrease in multifamily construction, and robust expansion in manufacturing plants, data centers, schools, infrastructure, and power facilities.[93]

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[91] Business Observer, "Tampa Bay, Sarasota become alluring options for financial services," https://www.businessobserverfl.com/news/2023/sep/01/tampa-bay-alluring-options-financial-services/ (accessed April 25, 2024).

[92] Son, Hugh, "U.S. banks are 'swimming in money' as deposits increase by $2 trillion amid the coronavirus," *CNBC*, https://www.cnbc.com/2020/06/21/banks-have-grown-by-2-trillion-in-deposits-since-coronavirus-first-hit.html (accessed April 26, 2024).

[93] International Banker, "The 2024 US Construction Outlook," https://internationalbanker.com/finance/the-2024-us-construction-outlook-torrid-or-tepid/ (accessed May 1, 2024).

TABLE 4-9 TOTAL BANK DEPOSITS

(Dollar Amounts in Billions)

YEAR	TOTAL BANK DEPOSITS		
	AIR TRADE AREA	FLORIDA	UNITED STATES
Historical			
2012	$60.28	$423.91	$8,947.24
2013	$63.95	$441.11	$9,433.53
2014	$65.68	$462.36	$10,112.72
2015	$69.88	$502.93	$10,657.72
2016	$77.27	$541.66	$11,280.52
2017	$81.94	$563.79	$11,859.86
2018	$85.16	$585.83	$12,307.88
2019	$87.12	$603.56	$12,813.12
2020	$101.25	$710.55	$15,590.14
2021	$117.00	$808.09	$17,235.47
2022	$130.75	$876.44	$18,141.02
2023	$123.86	$833.57	$17,269.42
Compound Annual Growth Rate			
2012 – 2021	8.1%	7.5%	7.3%
2022 – 2023	-5.3%	-4.9%	-4.8%
2012 – 2023	6.8%	6.3%	6.2%

NOTE:
Year ending June 30.
SOURCE: Federal Deposit Insurance Corporation, *Summary of Deposits Report*, May 2024.

Several significant development projects are underway in the Tampa Bay area. The Gas Worx development will connect Ybor City and downtown Tampa, with its first residential building opening in summer 2024. Mastry's Brewing is expanding its operations with a new headquarters in Pinellas Park.

Several major Tampa Bay roadway projects are underway to improve traffic flow and infrastructure. These projects include:

1. The Gateway Expressway, a new tolled expressway system in Pinellas County, is set to open in 2024.[94]
2. Howard Frankland Bridge (I-275), the largest project that the FDOT has undertaken, will be creating a new southbound bridge between Pinellas and Hillsborough Counties; it is set to open in 2025.[95]
3. Work has begun to improve the congested I-275 and I-4 interchange in Downtown Tampa.
4. The I-275 is being widened from north of I-4 to north of Hillsborough Avenue to increase capacity.[96]

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[94] 83 Degrees Media, "10 Tampa Bay projects to watch in 2024," https://www.83degreesmedia.com/features/10-development-projects-to-watch-in-Tampa-Bay-in-2024.020624.aspx (accessed May 27, 2024).

[95] FDOT, "New southbound bridge between Pinellas and Hillsborough counties," https://www.fdottampabay.com/project/417/422904-2-52-01 (accessed July 2, 2024).

[96] WFTS Tampa Bay, "FDOT working on multiple major projects that will change traffic patterns in 2024," https://www.abcactionnews.com/news/driving-tampa-bay-forward/fdot-working-on-multiple-major-projects-that-will-change-traffic-patterns-in-2024 (accessed July 2, 2024).

Both building permits and housing sales and prices are indirect indicators of employment in the residential construction sector. As shown in **Table 4-10**, Air Trade Area residential building permits and valuation experienced a greater increase than what was experienced by the United States between CY 2012 and CY 2023. After rebounding from the bottom of the most recent residential real estate building cycle in CY 2009, the Air Trade Area's residential building permit units have grown significantly, at a CAGR of 8.7 percent from CY 2012 to CY 2023, compared to an increase of 10.5 percent for Florida and 5.6 percent for the United States over the same period. Building permit valuation increased at a CAGR of 9.6 percent (compared to an increase of 13.0 percent for Florida and 9.1 percent for the United States) between CY 2012 and CY 2023.

TABLE 4-10 RESIDENTIAL BUILDING PERMITS AND VALUATION – CALENDAR YEAR 2011 THROUGH CALENDAR YEAR 2023

(Dollar Amounts in Billions)

	AIR TRADE AREA		FLORIDA		UNITED STATES	
YEAR	UNITS	VALUATION	UNITS	VALUATION	UNITS	VALUATION
CY 2012	10,161	$2.12	64,810	$13.20	829,658	$140.43
CY 2013	12,152	$2.73	86,752	$18.16	990,822	$177.66
CY 2014	12,386	$2.85	84,075	$19.55	1,046,363	$193.24
CY 2015	15,653	$3.63	109,924	$23.44	1,182,582	$223.61
CY 2016	17,752	$3.96	116,240	$25.86	1,206,642	$237.10
CY 2017	18,268	$4.14	122,719	$28.10	1,281,977	$258.51
CY 2018	17,452	$4.62	144,427	$31.54	1,328,827	$271.12
CY 2019	23,540	$5.08	154,302	$33.21	1,386,048	$280.53
CY 2020	20,348	$5.30	164,074	$36.88	1,471,141	$307.21
CY 2021	24,831	$5.80	213,494	$49.33	1,736,982	$380.04
CY 2022	29,968	$6.25	209,961	$51.25	1,680,368	$384.45
CY 2023	25,386	$5.83	193,788	$50.74	1,511,102	$365.37
Compound Annual Growth Rate						
CY 2012 – CY 2023	8.7%	9.6%	10.5%	13.0%	5.6%	9.1%

NOTE:
CY – Calendar Year
SOURCE: US Department of Commerce, Bureau of the Census, April 2024.

Based on an analysis of housing data sourced from Redfin, it is evident that the Air Trade Area housing market is experiencing a slowdown in home price growth. The median sale price for the Air Trade Area increased by only 0.9 percent, rising from $376,700 in August 2022 to $379,990 in August 2023. This represents a significant slowdown from the previous year's growth rate, when the median sale price surged by 19.6 percent, increasing from $315,000 in August 2021 to $376,700 in August 2022.[97] The most significant year-over-year decline in home prices was in the city of Lealman, located in the central part of the Pinellas Peninsula, adjacent to St. Petersburg. In

[97] Forbes, "Tampa Housing Market 2023: Overview," https://www.forbes.com/sites/andrewdepietro/2023/10/18/will-the-tampa-housing-market-crash/?sh=4f5fa08a34e4 (accessed May 1, 2024).

August 2023, the median sale price dropped by 27.0 percent compared to the previous year, falling from $338,500 in August 2022 to $247,000.[98]

4.2.4.8 MANUFACTURING

In CY 2023, the manufacturing sector accounted for approximately 74,900 employees in the Air Trade Area. The manufacturing sector accounted for 4.9 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 8.3 percent in the nation. Manufacturing employment in the Air Trade Area increased by 2.2 percent between CY 2013 and CY 2023, compared to a 0.7 percent increase for the nation over the same period.

Despite smaller gains in manufacturing employment between CY 2013 and CY 2023 relative to other sectors, manufacturing continues to be an important component of the Air Trade Area's economy. The Air Trade Area encompasses the western end of an area known as the Florida High Tech Corridor. This area extends from the western coast of Florida through Orlando in the central region of Florida to the eastern coast in Cape Canaveral. The Florida High Tech Corridor includes 11 key technology sectors: agrotechnology; aviation and aerospace; digital media and interactive entertainment; financial services; information technology; life sciences and medical technologies; microelectronics and nanotechnology; modeling, simulation, and training; optics and photonics; learning sciences and human performance; and sustainable energy. [99]

A major part of the high technology industry in the Air Trade Area is medical manufacturing. Florida is second in the United States in terms of Food and Drug Administration–registered medical device manufacturers; the Air Trade Area leads Florida in this industry, producing one-third of the industry's revenue.[100] The medical device industry feeds off the large amount of medical research being undertaken at institutions in the Air Trade Area, giving medical device makers a venue to test and perfect new devices. A wide range of medical devices are manufactured in the Air Trade Area, including prosthetics by Restorative Care and custom extrusions by NDH Medical. Major medical technology companies located in the Air Trade Area include Johnson & Johnson, Bausch + Lomb Pharmaceuticals, Bristol-Myers Squibb, and Medtronic.

The Air Trade Area also has a significant cluster of electronics contract manufacturing[101] companies. With approximately 2,000 employees at its headquarters in the Air Trade Area, Jabil Circuit, Inc., was ranked the fifth-best electronic manufacturing services provider worldwide in a 2023 ranking by *Fortune Business Insights*.[102] Sypris Electronics, a leading provider of electronics manufacturing and engineering services for the defense industry and the avionics and aerospace community, is also headquartered in the Air Trade Area.

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[98] Ibid.

[99] The Florida High Tech Corridor, "Endless business and career opportunities exist in The Corridor's high-tech industry clusters targeted for growth," https://floridahightech.com/clusters/#:~:text=Aerospace%20+%20Aviation,Optics%20+%20Photonics (accessed May 1, 2024).

[100] FloridaCommerce, *2023 Florida Manufacturing*, https://www.floridajobs.org/docs/default-source/communicationsfiles/2023-florida-manufacturing-report.pdf (accessed May 2, 2024).

[101] Contract manufacturing is a form of outsourcing, where a manufacturer contracts with another company to make certain components or products.

[102] Fortune Business Insights, "10 Key Players Offering Innovative Electronic Manufacturing Services in 2023," https://www.fortunebusinessinsights.com/blog/key-players-offering-innovative-electronic-manufacturing-services-10844 (accessed May 2, 2024).

4.2.4.9 OTHER SERVICES

Other services employment includes personal services (e.g., assisting the elderly with activities of daily living); dry cleaning and laundry services; repair and maintenance services; religion, grant making, civic, professional, and similar organizations; and private household employment. In CY 2023, the other services sector accounted for approximately 54,300 employees in the Air Trade Area. The other services sector accounted for 3.5 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 3.7 percent in the nation. Other services employment in the Air Trade Area increased at a CAGR of 2.1 percent between CY 2013 and CY 2023, compared to a 0.6 percent increase for the nation over the same period.

Because the demand for other services is on an individual or household level, trends in other services employment do not independently drive economic growth, but rather tend to reflect growth in other industry sectors, which results in an increased demand for other services by individuals and households.

4.2.4.10 TRANSPORTATION/UTILITIES

In CY 2023, the transportation/utilities sector accounted for approximately 51,900 employees in the Air Trade Area. The transportation/utilities sector accounted for 3.4 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 4.6 percent in the nation. Transportation/utilities employment in the Air Trade Area increased at a CAGR of 6.4 percent between CY 2013 and CY 2023, compared to a 3.6 percent increase for the nation over the same period.

TPA services the air transportation demand in the Air Trade Area. The Air Trade Area, in addition to the major development projects at the Airport described herein, is also supported by additional transportation infrastructure providing both passenger and freight access:

- The Air Trade Area is directly connected to major US markets by an integrated network of interstate highways. Interstate 4 (I-4) connects the Air Trade Area with Orlando in central Florida and Daytona Beach on Florida's East Coast, where it also intersects with I-95 (the major north–south interstate on the US East Coast). I-75 connects the Air Trade Area with Miami, Atlanta, Cincinnati, and Detroit. I-275 connects St. Petersburg with I-4 and I-75 via the Sunshine Skyway Bridge and the Howard Frankland Bridge. The Howard Frankland Bridge, which spans St. Petersburg to Tampa, is being rebuilt with an estimated completion in 2024.[103] This interstate highway network helps to support a thriving trucking industry in the Air Trade Area, which includes over 186 trucking operations. The Selmon/I-4 connector is a 1-mile stretch of elevated highway that significantly decreases truck congestion stemming from the Port and throughout the Air Trade Area.[104] The Port alone generates 11,200 truck movements daily.
- Ocean shipping is facilitated by the Port, Florida's largest seaport by cargo tonnage, handling approximately 114.3 million tons of cargo in CY 2023. According to the Florida Ports Council, the Port set a new record for cruise passenger embarkations, with approximately 19.4 million passengers in 2023. Over $5 billion in investments are identified for 2024 to 2028 to improve Port infrastructure and capacity.[105] The development of

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[103] Spectrum News, "Construction ahead of schedule on the new Howard Frankland Bridge," https://spectrumlocalnews.com/nc/triad/news/2017/10/3/fdot_introduces_new_ (accessed May 2, 2024).

[104] *Tampa Bay Tribune*, "Selmon–Interstate 4 Connector on Fast Road to Success," January 3, 2015.

[105] Florida Ports Council, "Florida Seaports Set Back-to-Back Record-High Cargo Growth," https://flaports.org/florida-seaports-set-back-to-back-record-high-cargo-growth-proving-florida-is-americas-supply-chain-solution/#:~:text=For%202023%2C%20Florida's%20system%20of,million%20tons%20of%20cargo%20moved. (accessed May 2, 2024).

a new container terminal has positioned the deep-water Port as a gateway for the growing markets of Florida and the southeast United States. The Port offers CSX rail service and over 1 million square feet of warehouse / cold storage space. The Port also contains the largest ship repair facility in the southeastern United States.

- CSX provides freight rail service from the Air Trade Area to all major freight nodes and ports east of the Mississippi River.
- Passenger rail service is provided to and from the Air Trade Area by Amtrak. The Silver Star train (daily service along the US East Coast from Jacksonville to Washington, DC; New York; and Boston) stops at historic Union Station in downtown Tampa. Brightline is currently in negotiations with local authorities to acquire the right-of-way for a future high-speed rail route between Tampa and Orlando and continuing on to South Florida. According to Tampa Mayor Jane Castor, the current ideal goal is to complete the Tampa segment in Ybor City in 4 to 5 years (between CY 2028 and CY 2029), which will create jobs and draw both business and leisure travelers to the Air Trade Area.[106]
- Public transit in the Air Trade Area is primarily provided by the Hillsborough Area Regional Transit Authority and the Pinellas Suncoast Transit Authority, which provide a variety of traditional bus transit services, as well as the "In-Town-Trolley" service in the downtown area of Tampa. Both agencies provide bus service to the Airport via platforms near the RCC. SunRunner is a new Bus Rapid Transit service that serves multiple key destinations, including: Downtown St. Petersburg; USF/St. Pete; Tropicana Field; and St. Pete Beach. [107]

One of the major utility companies serving the Air Trade Area is TECO Energy, a wholly owned subsidiary of Emera Inc. Tampa Electric Company and Peoples Gas System are the principal businesses of TECO Energy, which is headquartered in the Air Trade Area and has approximately 2,500 employees. The company will be moving to a new 17-story tower (11 stories of which will be owned by TECO Energy) in the Midtown Tampa development that is currently under construction; TECO Energy will be the largest employer in Midtown Tampa when the building opens in 2025.[108] Tampa Electric is making substantial improvements in expanding its solar power capacity. By the end of 2026, the company plans to have over 1,600 megawatts of solar power, sufficient to power nearly 260,000 homes. This expansion will enable solar energy to account for 17 percent of Tampa Electric's total energy production, making it the leading electric company in Florida in terms of solar power generation. Duke Energy, which has the headquarters office of its Florida operations in St. Petersburg, also provides electric service to the Air Trade Area, and it is implementing self-healing technology that mitigates the frequency and duration of outages in the Air Trade Area.[109]

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[106] WTSP, "Brightline is coming to another Florida city, but when will it finally come to Tampa?" https://www.wtsp.com/article/news/local/hillsboroughcounty/brightline-tampa-station-rail/67-f25bb4d1-ab02-40f6-83e6-35abb1f45a83 (accessed May 2, 2024).

[107] PSTA, "SunRunner" https://psta.net/services/sunrunner/ (accessed June 20, 2024).

[108] Emera Inc., "Tampa Electric and Peoples Gas to Build New, Resilient Headquarters in Midtown Tampa," https://www.tampaelectric.com/mediacenter/2022/Tampa-Electric-and-Peoples-Gas-to-Build-New-Resilient-Headquarters-in-Midtown-Tampa/#:~:text=Tampa%20Electric%20and%20Peoples%20Gas%20will%20own%2011%20floors%20of,financial%20benefit%20to%20TECO%20customers (accessed May 23, 2024).

[109] Tampa Bay Business & Wealth (TBBW), "Energy companies in Tampa Bay are investing in clean and efficient energy initiatives," https://tbbwmag.com/2024/01/08/energy-companies-in-tampa-bay-are-investing-in-clean-and-efficient-energy-initiatives/ (accessed May 2, 2024).

4.2.4.11 INFORMATION

The information sector combines telecommunications service providers, traditional publishing, motion picture and sound recording, broadcasting, software, online services, and data processing. In CY 2023, the information sector accounted for approximately 29,500 employees in the Air Trade Area. The information sector accounted for 1.9 percent of total nonagricultural employment in CY 2023 in the Air Trade Area and in the nation. Information employment in the Air Trade Area increase by a CAGR of 1.2 percent between CY 2013 and CY 2023, comparable to a 1.1 percent CAGR for the nation over the same period. Tampa makes up 25 percent of Florida's tech jobs; it is a top emerging tech city in the United States.[110]

Communications service provider Frontier is a major information sector employer in the Air Trade Area. Since 2004, Frontier has been in the process of outfitting the Air Trade Area with one of the most advanced broadband networks in both Florida and the United States. Another employer in the Air Trade Area is the Home Shopping Network (HSN). HSN, under parent company Qurate Retail Group, is an interactive multichannel retailer with strong direct-to-consumer expertise.[111] HSN offers retail experiences on television, online, via mobile, in catalogs, and in brick-and-mortar stores.

4.3 ECONOMIC OUTLOOK

4.3.1 SHORT-TERM ECONOMIC OUTLOOK

According to an April 2024 economic forecast prepared by the University of Central Florida, Institute for Economic Forecasting, in the short-term (between CY 2024 and CY 2027), the Air Trade Area is expected to show moderate levels of growth in most key economic indicators. Real personal income growth is projected to increase at a 3.6 percent CAGR from CY 2023 to CY 2027. Employment growth is expected to slow to a CAGR of 0.9 percent from CY 2023 to CY 2027; the financial sector is expected to be the fastest-growing sector, at a projected 2.8 percent CAGR during this period. The manufacturing sector is forecast to have the largest contraction, a CAGR of -1.8 percent. The Air Trade Area unemployment rate is forecast to increase to 3.2 percent annually in CY 2024 and rise to 3.6 percent annually in CY 2027.[112]

With respect to the national economy, the Congressional Budget Office (CBO) economic outlook released in June 2024 projects a 2.6 percent year-over-year increase in real GDP for 2024, which is similar to the real GDP growth in 2023 (2.5 percent). The real GDP growth rate is projected by the CBO to decrease to 2.1 percent in 2025, and then fall to 1.8 percent by 2026, around where it stays until the end of the CBO outlook period (2034).[113] Real GDP growth projected by CBO is similar to that projected by the International Monetary Fund (IMF). The IMF economic outlook released in April 2024 projects a 2.7 percent year-over-year increase in real US GDP for 2024. 2025 is then projected to see slower year-over-year US GDP growth of 1.9 percent.[114] The CBO projects the national unemployment rate to

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[110] Precision Global Consulting, "6 Up and Coming US Tech Cities," https://pgcgroup.com/blog/6-up-and-coming-us-tech-cities (accessed May 3, 2024).

[111] HSN, "Home," https://hsn.us.com/ (accessed June 20, 2024).

[112] University of Central Florida, Institute for Economic Forecasting, *Florida & Metro Forecast 2024–2027*, https://business.ucf.edu/wp-content/uploads/sites/4/2024/04/V-2-WINTER-2024-UCF_FLMetro_Forecast_small.pdf (accessed May 9, 2024).

[113] Congressional Budget Office, The Budget and Economic Outlook: 2024 to 2034, June 2024.

[114] International Monetary Fund, World Economic Outlook Update: Steady but Slow: Resilience amid Divergence, April 2024.

rise to 4.4 percent by the end of CY 2027.[115]

4.3.2 LONG-TERM ECONOMIC ASSUMPTIONS INCORPORATED IN PASSENGER DEMAND FORECASTS

As described in more detail in Chapter 5, the methodologies used in developing forecasts of enplaned passengers at the Airport included (among other methodologies) statistical linear regression modeling, with local, state, and national socioeconomics and demographics as independent variables and enplaned passengers as the dependent variable. Independent variables considered for this analysis included population, employment, earnings, personal income (per capita and total), and GRP/GDP for the Air Trade Area and the United States. For each socioeconomic and demographic variable, regression modeling produced a coefficient that was applied to the corresponding variable projection developed by Woods & Poole to provide a forecast of enplaned passengers. **Table 4-11** presents the CY 2021 and CY 2030 figures used in the modeling, as well as the CAGR for each independent variable in CY 2021 and CY 2030. As previously stated, the demand for air transportation at an airport is, to a large degree, dependent upon the demographic and economic characteristics of an airport's air trade area. The projected growth in the economic indicators during the Projection Period, as shown in Table 4-11, supports the underlying assumptions that drive the airline activity forecasts discussed in Chapter 5.

TABLE 4-11 PROJECTION OF ECONOMIC VARIABLES USED IN PASSENGER DEMAND FORECASTS

VARIABLE	CY 2022[1,2]	CY 2030	COMPOUND ANNUAL GROWTH RATE CY 2022[1,2] – CY 2030
Air Trade Area Population[2]	3,291,341	3,583,791	1.1%
US Population[2]	333,271,411	350,794,062	0.6%
Air Trade Area Total Employment (jobs)[3]	2,090,107	2,336,393	1.4%
US Total Employment (jobs)[3]	212,442,020	235,602,509	1.3%
Air Trade Area Total Earnings[4]	$113,513	$135,243	2.2%
US Total Earnings[4]	$13,105,445	$15,661,853	2.3%
Air Trade Area Total Personal Income[4]	$170,405	$214,379	2.9%
US Total Personal Income[4]	$18,803,588	$22,707,644	2.4%
Air Trade Area Per Capita Personal Income[5]	$51,774	$59,819	1.8%
US Per Capita Personal Income[5]	$56,421	$64,732	1.7%
Air Trade Area Gross Regional Product (GRP)[4]	$182,804	$219,186	2.3%
US Gross Domestic Product (GDP)[4]	$21,788,014	$25,999,436	2.2%

NOTES:
CY – Calendar Year
1 CY 2022 is the last year of historical data in the Woods & Poole Economics, Inc. (Woods & Poole) database and is the basis for Woods & Poole's projections. Therefore, it is the last year of historical data displayed in this table. More recent data may be available from other sources.
2 Population data in the CY 2022 column and in the compound annual growth rate calculation are from CY 2022—the most current historical population data in the Woods & Poole database.
3 Employment data include wage and salary workers, proprietors, private household employees, and miscellaneous workers. Establishment data from the US Department of Commerce, Bureau of Economic Analysis were used in this table, which differ from the employment data in Table 4-7 due to differing sources, definitions, and methodologies.
4 Figures displayed in millions of 2017 dollars.
5 Figures displayed in 2017 dollars.
SOURCE: Woods & Poole Economics, Inc., *2024 Complete Economic and Demographic Data Source (CEDDS),* July 2024.

115 Congressional Budget Office, The Budget and Economic Outlook: 2024 to 2034, June 2024.

4.4 CONCLUSIONS

The Air Trade Area population was 3,291,341 in CY 2022, and it is projected by Woods & Poole to increase to 3,583,791 by CY 2030. This represents a 1.1 percent CAGR for the Air Trade Area, which is below what was projected for Florida and higher than what is projected for the United States during the same period (1.2 percent and 0.6 percent, respectively).

PCPI in the Air Trade Area was lower than in the United States between CY 2012 and CY 2022. The Air Trade Area's PCPI in CY 2022 ($51,774) was 8.2 percent lower than PCPI in the United States ($56,421) and 7.3 percent lower than PCPI in Florida ($55,845). PCPI in the Air Trade Area is projected by Woods & Poole to increase at a CAGR of 1.8 percent between CY 2022 and CY 2030, which is higher than the projected CAGR of 1.7 percent for both the United States and Florida.[116]

Between CY 2012 and CY 2022, the Air Trade Area's GRP grew at a CAGR of approximately 3.6 percent; this was lower than Florida and higher than the United States during the same period, which grew at CAGRs of 3.9 percent and 2.5 percent, respectively. GRP in the Air Trade Area is projected by Woods & Poole to increase at a CAGR of 2.3 percent between CY 2022 and CY 2030; Florida GRP and US GDP are projected to increase at CAGRs of 2.7 percent and 2.2 percent, respectively, over the same period.

Between CY 2012 and CY 2022, the Air Trade Area's labor force grew at a CAGR of approximately 1.6 percent; this was higher than Florida and the United States during the same period, which grew at CAGRs of 1.4 percent and 0.6 percent, respectively.

In terms of percentages of industry sector shares, CY 2023 employment in the following industry sectors in the Air Trade Area exceeded employment in the United States: professional and business services, trade, leisure and hospitality, financial, and construction.

The data cited in this chapter support the conclusion that the Air Trade Area has a large and diverse economy with projected growth that is anticipated to increase the demand for airline travel at the Airport through the Projection Period (ending CY 2030).

[116]Amounts are in 2012 dollars.

5. PASSENGER DEMAND AND AIR SERVICE ANALYSIS

This chapter describes historical and forecast aviation activity at TPA and discusses key factors affecting these trends.

5.1 AIRLINES SERVING THE AIRPORT

As of May 2024, a total of 26 airlines provided regular passenger service at the Airport during FY 2024: 15US airlines and 11 foreign-flag airlines. During the year, 4 US airlines operated both domestic and international service at the Airport: Frontier Airlines (Frontier), JetBlue Airways (JetBlue), Silver Airways (Silver), and Southwest Airlines (Southwest). Additionally, 3 US airlines operated regular charter service to Cuba. All-cargo airline data from the US Department of Transportation (USDOT) T-100 for FY 2024 were available through February 2024; 2 all-cargo airlines served the Airport regularly during this period. **Table 5-1** lists those airlines providing service to the Airport during FY 2024.

TABLE 5-1 AIRLINES SERVING THE AIRPORT (FISCAL YEAR 2024)

US AIRLINES [1]	FOREIGN-FLAG AIRLINES	ALL-CARGO SERVICE[2]
Alaska Airlines	Aeroméxico	FedEx Express
American Airlines	Air Canada	United Parcel Service
Avelo Airlines	British Airways	
Breeze Airways	Cayman Airways	
Delta Air Lines	Copa Airlines	
Frontier Airlines	Edelweiss Air	
Global Crossing Airlines[3]	Lufthansa[5]	
iAero Airways[4]	Lynx Air[6]	
JetBlue Airways	Porter Airlines	
Silver Airways	Virgin Atlantic	
Southwest Airlines	WestJet Airlines	
Spirit Airlines		
Sun Country Airlines		
United Airlines		
World Atlantic Airlines[3]		

NOTES:
Scheduled passenger airlines are indicated based on published airline schedules for fiscal year 2024, while all-cargo service is indicated based on the most recent month with available historical data, February 2024.
1 Includes regional affiliates, where applicable.
2 Excludes airlines operating at the Airport irregularly.
3 Operates regular charter flights to Cuba.
4 iAero Airways operated charter flights to Cuba under the Havana Air brand and ceased operations in April 2024 after bankruptcy restructuring was unsuccessful.
5 Service is provided by Discover Airlines, formerly known as Eurowings, a member of the Lufthansa Group.
6 Lynx Air ceased operations in February 2024 in conjunction with filing for creditor protection.
SOURCES: Hillsborough County Aviation Authority, May 2024 (aviation activity data); Cirium Diio, May 2024 (published airline schedules; US Department of Transportation, T-100 data).

The Airport has the benefit of a stable airline base. Of the airlines serving the Airport in FY 2024, 6 began serving the Airport during the period following the onset of the COVID-19 pandemic. In FY 2024, 23 airlines provided scheduled passenger airline service at the Airport, the maximum observed during the historical period. **Table 5-2** presents the years (between FY 2014 and FY 2024) that each scheduled passenger airline currently serving the Airport has provided service at the Airport. As of June 2024, Aeroméxico is scheduled to begin service to the Airport in July 2024.

5.2 AIR SERVICE ANALYSIS

5.2.1 HISTORICAL AIRLINE ACTIVITY

The Airport, classified by the FAA as a large-hub facility based on its percentage of nationwide passenger activity,[117] ranked 27th in passengers in the United States in CY 2023, according to USDOT T-100 enplaned passenger data. The Airport primarily serves O&D passengers, with O&D passengers accounting for approximately 97 percent of all passengers at the Airport in FY 2023. The majority of connecting passengers are carried by Southwest. Southwest primarily operates a point-to-point network with service levels that enable some passengers to connect through the Airport. Silver has interline agreements with many larger airlines at the Airport, enabling Silver to connect passengers to destinations in Florida and the Bahamas, which Silver serves. Additionally, there is some incidental connecting traffic represented by passengers connecting between two flights operated by the same airline, including JetBlue, Frontier, American Airlines (American), and Delta Air Lines (Delta).

Table 5-3 presents historical domestic and international passenger activity at the Airport between FY 2014 and FY 2023. Passenger activity at the Airport grew steadily during the first half of the historical period until the onset of the COVID-19 pandemic. Between FY 2014 and FY 2019, total enplaned passengers grew at a CAGR of 5.0 percent. During this time, domestic enplaned passengers grew at a CAGR of 4.6 percent, while international enplaned passengers grew at a CAGR of 14.5 percent. Domestic, international, and total enplaned passengers recovered to pre-pandemic levels in FY 2023, with growth between FY 2014 and FY 2023 representing CAGRs of 3.0 percent, 7.9 percent, and 3.2 percent, respectively.

Notable details regarding passenger activity at the Airport between FY 2014 and FY 2023 are as follows:

- **FY 2014 to FY 2019**: Annual enplaned passengers increased in all years during the period. New airlines serving the Airport during the period included Alaska Airlines (Alaska), Copa Airlines (Copa), and Lufthansa, providing service to Seattle-Tacoma International (SEA), Tocumen International (PTY; Panama City, Panama), and Frankfurt (FRA; Frankfurt, Germany) Airports, respectively. Incumbent airlines added several new international destinations, with Delta introducing service to Amsterdam Airport Schiphol (AMS) and Silver adding Marsh Harbour Airport (MHH; Marsh Harbour, Bahamas) and Lynden Pindling International Airport (NAS; Nassau, Bahamas) to its route network from TPA. Domestically, ULCCs represented a large component of passenger growth during the years prior to the pandemic, increasing at a 34.7 percent CAGR during the period. The Airport also received new nonstop service to the West Coast, including United Airlines (United) service to its hub at San Francisco International Airport (SFO).

[117] As defined by the FAA, a large-hub airport enplanes 1.0 percent or more of nationwide revenue enplaned passengers. This was equal to approximately 6.56 million revenue enplaned passengers in FY 2021.

TABLE 5-2 HISTORICAL SCHEDULED PASSENGER AIRLINES

(Fiscal Year Ended September 30)

AIRLINES	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Southwest Airlines	●	●	●	●	●	●	●	●	●	●	●
Delta Air Lines	●	●	●	●	●	●	●	●	●	●	●
American Airlines	●	●	●	●	●	●	●	●	●	●	●
United Airlines	●	●	●	●	●	●	●	●	●	●	●
Frontier Airlines	●	●	●	●	●	●	●	●	●	●	●
Spirit Airlines	●	●	●	●	●	●	●	●	●	●	●
JetBlue Airways	●	●	●	●	●	●	●	●	●	●	●
Air Canada	●	●	●	●	●	●	●	●	●	●	●
Alaska Airlines	●	●	●	●	●	●	●	●	●	●	●
Silver Airways	●	●	●	●	●	●	●	●	●	●	●
Sun Country Airlines	●	●	●	●	●	●	●	●	●	●	●
Cayman Airways	●	●	●	●	●	●	●	●	●	●	●
Copa Airlines	●	●	●	●	●	●	●	●	●	●	●
British Airways	●	●	●	●	●	●	●		●	●	●
WestJet Airlines	●	●	●	●	●	●	●		●	●	●
Edelweiss Air	●	●	●	●	●	●	●		●	●	●
Lufthansa[1]		●	●	●	●	●	●		●	●	●
Breeze Airways								●	●	●	●
Avelo Airlines									●	●	●
Virgin Atlantic										●	●
Aeroméxico[2]											●
Lynx Air[3]											●
Porter											●
Icelandair				●	●	●					
Air Transat					●	●					
Southern Airways Express						●	●	●			
Contour Aviation						●	●				
Norwegian Air Shuttle						●	●				

NOTES:
Where applicable, includes affiliated, regional, and merged airlines.
1 Service is currently provided by Discover Airlines, formerly known as Eurowings, a member of the Lufthansa Group.
2 Lynx Air ceased operations in February 2024 in conjunction with filing for creditor protection.
3 Aeroméxico is scheduled to begin service in July 2024.
SOURCES: Hillsborough County Aviation Authority, April 2024 (aviation activity data); Cirium Diio, April 2024 (published airline schedules).

TABLE 5-3 HISTORICAL ENPLANED PASSENGERS

(Fiscal Years Ended September 30)

FISCAL YEAR	DOMESTIC ENPLANED PASSENGERS	INTERNATIONAL ENPLANED PASSENGERS	TOTAL ENPLANED PASSENGERS	ENPLANED PASSENGER GROWTH
2014	8,381,339	292,408	8,673,747	2.1%
2015	8,924,246	339,090	9,263,336	6.8%
2016	9,067,888	417,991	9,485,879	2.4%
2017	9,201,486	436,584	9,638,070	1.6%
2018	10,035,679	484,873	10,520,552	9.2%
2019	10,510,485	574,805	11,085,290	5.4%
2020	6,400,465	280,598	6,681,063	-39.7%
2021	7,672,647	44,517	7,717,164	15.5%
2022	10,333,795	355,036	10,688,831	38.5%
2023	10,983,516	577,276	11,560,792	8.2%
Compound Annual Growth Rate				
2014 – 2019	4.6%	14.5%	5.0%	
2014 – 2023	3.0%	7.9%	3.2%	

SOURCE: Hillsborough County Aviation Authority, April 2024.

- **FY 2020 to FY 2022**: Enplaned passengers decreased 39.7 percent in FY 2020 due to the onset of the COVID-19 pandemic. Enplaned passengers began to recover in FY 2021, increasing 15.5 percent year over year, and continued to recover in FY 2022, increasing 38.5 percent year over year. Domestic leisure travel demand began to recover first as travelers were drawn to outdoor, warm locations that enabled socially distanced leisure during this period, including the Air Trade Area, as defined in Chapter 4. The impact of the COVID-19 pandemic is presented in more detail in Section 5.3.1 of this Report. Two new entrant airlines to the US domestic market commenced service during the period. In FY 2021, Breeze Airways (Breeze) initiated service to 6 destinations, subsequently growing to 10 destinations. In FY 2022, Avelo Airlines (Avelo) added service to Tweed New Haven Airport (HVN), the airline's primary East Coast base and a new market for the Airport. International airlines Air Canada and Copa resumed service from the Airport in FY 2021, while British Airways, Edelweiss Air, Lufthansa (through subsidiary Discover Airlines), and WestJet Airlines (WestJet) resumed service in FY 2022.
- **FY 2023**: Enplaned passenger volumes grew 8.2 percent relative to FY 2022, with total enplaned passengers exceeding levels recorded in FY 2019, prior to the onset of the COVID-19 pandemic. Most airlines grew seat capacity during the year. Both domestic and international segments of enplaned passenger activity exceeded FY 2019 levels. Virgin Atlantic commenced service to the Airport during FY 2023, augmenting British Airways' London Gatwick Airport (LGW) service with nonstop service to Heathrow Airport (LHR; London, United Kingdom). US-based airlines added or resumed service to several Caribbean destinations during the year, including MHH and Rafael Hernández (BQN; Aguadilla), Punta Cana International (PUJ), and Las Américas International (SDQ; Santo Domingo, Dominican Republic) Airports.

Several new airlines have commenced or are planning to commence service at TPA during FY 2024. These airlines include Porter Airlines (Porter) and Aeroméxico, with the former adding competition on service to Toronto Pearson International Airport (YYZ) and the latter introducing Benito Juárez International Airport (MEX; Mexico City, Mexico), a previously unserved destination. Additional new international nonstop markets include Calgary International

Airport (YYC), served by WestJet, while Breeze added routes to Burlington (BTV) and Myrtle Beach (MYR) International Airports, respectively. In May 2024, Delta announced winter seasonal flights to AMS would resume for the first time since the onset of the COVID-19 pandemic; the route is scheduled to commence early in FY 2025.

Table 5-4 presents the historical share of enplaned passengers by airline at the Airport between FY 2019 and FY 2023. Enplaned passengers are spread over many airlines, with no single airline having more than a 31.2 percent market share over the period shown. Southwest held the largest market share over the 5-year period shown. Delta, American, and United represented the second-, third-, and fourth-largest share of enplaned passengers, respectively, in all years except FY 2020, when American was the second-largest airline by share of enplaned passengers and Delta was the third-largest. All three airlines recovered to pre-pandemic enplaned passenger volumes by FY 2023. Frontier and JetBlue both grew substantially over the period, handling 58.4 percent and 30.2 percent more passengers in FY 2023 than FY 2019, while new entrant airline Breeze ranked among the eight largest airlines at the Airport by enplaned passengers after commencing service in FY 2021.

Exhibit 5-1 presents total enplaned passenger volumes at the Airport and the share represented by Southwest Airlines between FY 2014 and FY 2023. Total enplaned passengers increased from 8.7 million in FY 2014 to 11.6 million in FY 2023. During this period, Southwest's share of total enplaned passengers decreased from 35 percent in FY 2014 to 26 percent in FY 2023. Among the airlines serving the Airport, there was a diverse distribution of legacy, low-cost carriers (LCC), and ULCCs throughout the historical period. The distribution of the share of enplaned passengers represented by these airline groupings is presented on **Exhibit 5-2**. The share of enplaned passengers represented by legacy airlines has decreased slightly during the period from 48 percent in FY 2014 to 45 percent in FY 2023, while the share represented by ULCCs has grown from 4 percent to 18 percent. LCCs, including Southwest and JetBlue, have decreased from 44 percent in FY 2014 to 33 percent in FY 2023.

5.2.2 MARKET CHARACTERISTICS

As of May 2024, the airlines serving the Airport operated approximately 41,500 daily departing seats and approximately 250 daily departures. During FY 2024, nonstop service[118] was provided or is scheduled to be provided to 84 domestic destinations and 20 international destinations, as shown on **Exhibit 5-3**. Included among these destinations are 22 new destinations that were not served in FY 2019. Passenger demand is sufficient in many markets to support multiple airlines. Of the 104 routes scheduled to be served in FY 2024, 54 are served by more than one airline, an increase from 24 in FY 2014, as shown in **Table 5-5**.

The distribution of O&D markets is an important characteristic, which is particularly true for the Airport, as it primarily serves O&D passengers. **Table 5-6** presents the Airport's top 20 domestic O&D markets during FY 2023. Also shown are primary and secondary airline market shares, and those airlines that operated nonstop service in the market. The Airport's top 20 O&D markets represented two-thirds of total O&D demand, and the top 8 markets combined represented over two-fifths of total O&D demand. These top markets were served by a broad base of airlines, which generally supports competitive air fares. Of the top 20 markets, all were served on a nonstop basis by more than 1 airline, 13 were served nonstop by at least 4 airlines, and 5 were served by 5 airlines, including the top 4 markets (New York, Chicago, Washington, and Boston) and Raleigh.

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[118] This includes destinations served seasonally and does not include service scheduled to commence in fiscal year 2025, such as Delta Air Lines service to Amsterdam Airport Schiphol (AMS). Destinations served only by nonscheduled passenger airlines, such as Cuban charter operations, are not shown.

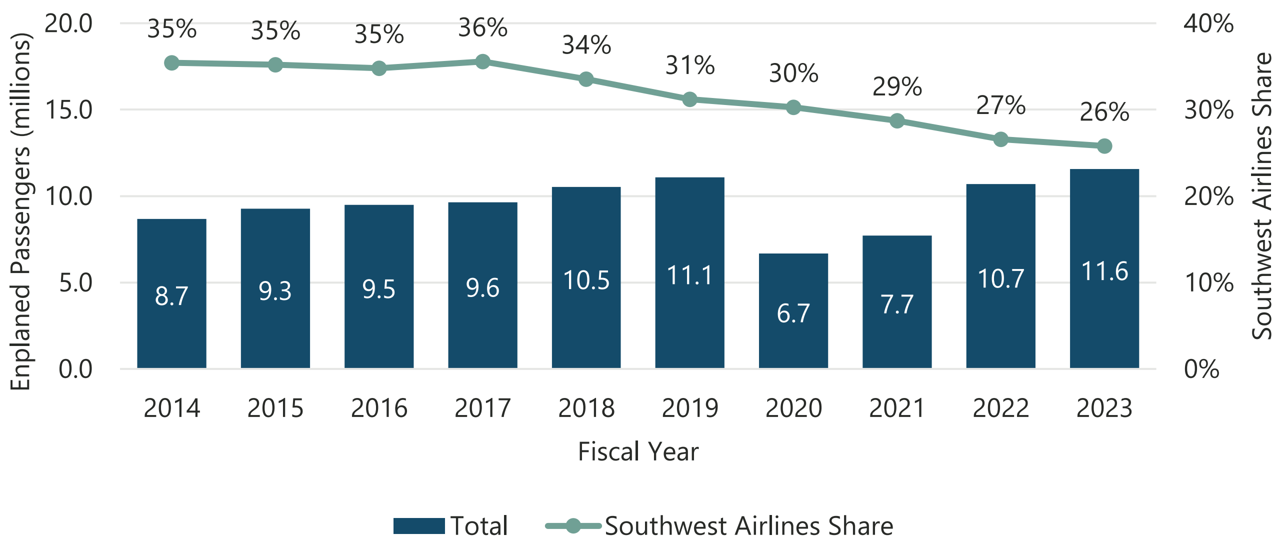
TABLE 5-4 HISTORICAL TOTAL ENPLANED PASSENGERS BY AIRLINE

(Fiscal Years Ended September 30)

AIRLINE [1]	2019		2020		2021		2022		2023	
	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE
Southwest Airlines	3,458,483	31.2%	2,023,101	30.3%	2,216,345	28.7%	2,839,916	26.6%	2,982,589	25.8%
Delta Air Lines	1,894,400	17.1%	1,027,482	15.4%	1,346,173	17.4%	1,897,915	17.8%	2,003,210	17.3%
American Airlines	1,747,838	15.8%	1,091,505	16.3%	1,334,081	17.3%	1,870,902	17.5%	1,851,607	16.0%
United Airlines	1,110,859	10.0%	625,121	9.4%	804,907	10.4%	1,105,700	10.3%	1,181,125	10.2%
Frontier Airlines	592,050	5.3%	413,770	6.2%	423,100	5.5%	735,602	6.9%	937,698	8.1%
JetBlue Airways	628,543	5.7%	360,992	5.4%	528,712	6.9%	660,733	6.2%	818,308	7.1%
Spirit Airlines	948,061	8.6%	735,749	11.0%	808,499	10.5%	920,359	8.6%	785,965	6.8%
Breeze Airways	0	0.0%	0	0.0%	26,062	0.3%	112,104	1.0%	160,729	1.4%
Air Canada	151,282	1.4%	92,194	1.4%	8,311	0.1%	93,879	0.9%	151,191	1.3%
Alaska Airlines	73,380	0.7%	58,878	0.9%	94,147	1.2%	114,751	1.1%	129,509	1.1%
Silver Airways	81,053	0.7%	52,514	0.8%	56,104	0.7%	59,978	0.6%	87,256	0.8%
Avelo Airlines	0	0.0%	0	0.0%	0	0.0%	25,457	0.2%	81,584	0.7%
British Airways	79,508	0.7%	36,687	0.5%	0	0.0%	63,334	0.6%	79,491	0.7%
Sun Country Airlines	65,311	0.6%	42,415	0.6%	59,991	0.8%	70,491	0.7%	72,530	0.6%
Virgin Atlantic	0	0.0%	0	0.0%	0	0.0%	0	0.0%	58,469	0.5%
Lufthansa	64,893	0.6%	34,696	0.5%	0	0.0%	42,608	0.4%	57,431	0.5%
WestJet Airlines	51,370	0.5%	34,556	0.5%	0	0.0%	15,635	0.1%	31,631	0.3%
Copa Airlines	34,790	0.3%	14,308	0.2%	8,142	0.1%	21,353	0.2%	31,146	0.3%
Cayman Airways	19,794	0.2%	8,582	0.1%	0	0.0%	12,812	0.1%	21,486	0.2%
All Others [2]	83,675	0.8%	28,513	0.4%	2,590	0.0%	25,302	0.2%	37,837	0.3%
Airport Total	**11,085,290**	**100.0%**	**6,681,063**	**100.0%**	**7,717,164**	**100.0%**	**10,688,831**	**100.0%**	**11,560,792**	**100.0%**

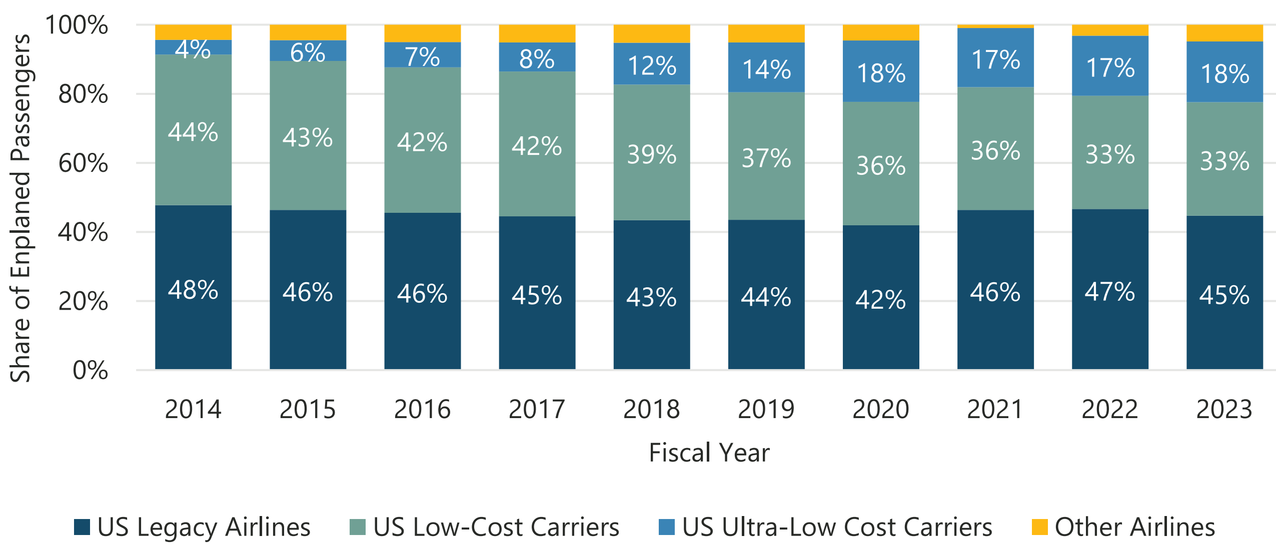
NOTES:
1 Includes regional/commuter affiliates and airlines included in mergers.
2 Consists of airlines no longer serving the Airport, unaffiliated airlines, and/or charter airlines.
SOURCES: Hillsborough County Aviation Authority, April 2024 (aviation activity data); Cirium Diio, April 2024 (published airline schedules).

EXHIBIT 5-1 TOTAL ENPLANED PASSENGER VOLUME AND SOUTHWEST AIRLINES SHARE

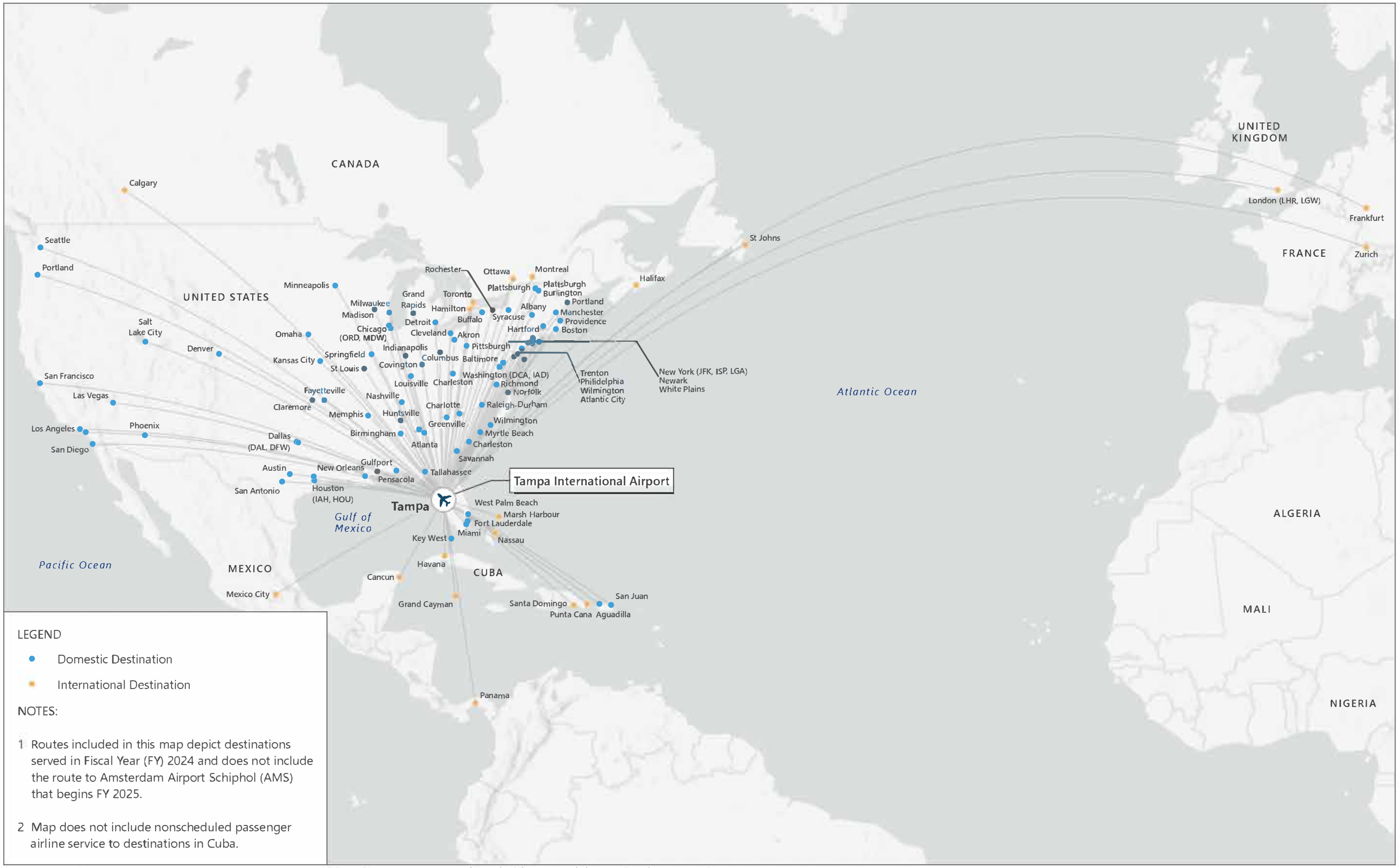


SOURCE: Hillsborough County Aviation Authority, April 2024.

EXHIBIT 5-2 SHARE OF HISTORICAL ENPLANED PASSENGERS BY AIRLINE GROUPING



NOTES:
US – United States
US legacy airlines include American Airlines, Alaska Airlines, Delta Air Lines, and United Airlines; US low-cost carriers include JetBlue Airways and Southwest Airlines; US ultra-low-cost carriers include Avelo Airlines, Breeze Airways, Frontier Airlines, Spirit Airlines, and Sun Country Airlines; and other airlines include all other airlines providing passenger service not included in other airline groupings.
SOURCE: Hillsborough County Aviation Authority, April 2024.



SOURCES: Esri, TomTom, FAO, NOAA, USGS (basemap); Cirium Diio, May 2024 (published airline schedules); Ricondo & Associates, Inc., May 2024 (routes).

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EXHIBIT 5-3

DESTINATIONS SERVED

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TABLE 5-5 DESTINATIONS SERVED BY MORE THAN ONE AIRLINE

FISCAL YEAR	DESTINATIONS SERVED BY MORE THAN ONE AIRLINE	TOTAL DESTINATIONS
2014	24	72
2015	25	78
2016	24	78
2017	25	78
2018	38	84
2019	39	90
2020	39	86
2021	44	84
2022	51	91
2023	45	95
2024	54	104

SOURCE: Cirium Diio, April 2024.

TABLE 5-6 TOP 20 DOMESTIC ORIGIN AND DESTINATION MARKETS (FISCAL YEAR 2023)

(Passengers Per Day, Each Way)

RANK	MARKET	O&D PASSENGERS (PDEW)	PERCENTAGE OF O&D PASSENGERS	PRIMARY AIRLINE	MARKET SHARE	SECONDARY AIRLINE	MARKET SHARE	AIRLINES PROVIDING NONSTOP SERVICE [1]
1	New York[2]	2,969	11.1%	JetBlue Airways	32.4%	United Airlines	27.3%	Delta Air Lines, Frontier Airlines, JetBlue Airways, Southwest Airlines, United Airlines
2	Chicago[3]	1,586	5.9%	Southwest Airlines	37.2%	United Airlines	22.1%	American Airlines, Frontier Airlines, Southwest Airlines, Spirit Airlines, United Airlines
3	Washington[4]	1,504	5.6%	Southwest Airlines	49.2%	American Airlines	24.6%	American Airlines, Southwest Airlines, Spirit Airlines, Sun Country Airlines, United Airlines
4	Boston[5]	1,414	5.3%	JetBlue Airways	39.1%	Delta Air Lines	24.3%	Breeze Airways, Delta Air Lines, JetBlue Airways, Southwest Airlines, Spirit Airlines
5	Atlanta	1,103	4.1%	Delta Air Lines	53.8%	Southwest Airlines	21.7%	Delta Air Lines, Frontier Airlines, Southwest Airlines, Spirit Airlines
6	Philadelphia	999	3.7%	American Airlines	46.4%	Frontier Airlines	42.4%	American Airlines, Avelo Airlines, Frontier Airlines, Southwest Airlines
7	Dallas[6]	923	3.4%	American Airlines	42.3%	Southwest Airlines	33.2%	American Airlines, Frontier Airlines, Southwest Airlines, Spirit Airlines
8	Detroit	867	3.2%	Delta Air Lines	60.1%	Spirit Airlines	30.1%	Delta Air Lines, Frontier Airlines, Southwest Airlines, Spirit Airlines
9	Denver	836	3.1%	Southwest Airlines	37.6%	United Airlines	36.0%	Frontier Airlines, Southwest Airlines, United Airlines
10	Los Angeles[7]	629	2.3%	Delta Air Lines	39.0%	American Airlines	21.0%	Alaska Airlines, American Airlines, Delta Air Lines, United Airlines
11	Minneapolis	618	2.3%	Delta Air Lines	61.8%	Sun Country Airlines	30.5%	Delta Air Lines, Southwest Airlines, Sun Country Airlines
12	Miami[8]	580	2.2%	American Airlines	39.6%	Spirit Airlines	36.4%	American Airlines, Silver Airways, Southwest Airlines, Spirit Airlines
13	San Juan	567	2.1%	JetBlue Airways	31.5%	Spirit Airlines	26.2%	Frontier Airlines, JetBlue Airways, Southwest Airlines, Spirit Airlines
14	Las Vegas	547	2.0%	Frontier Airlines	27.7%	Spirit Airlines	27.7%	Frontier Airlines, Southwest Airlines, Spirit Airlines
15	Nashville	543	2.0%	Southwest Airlines	75.5%	American Airlines	19.8%	American Airlines, Southwest Airlines
16	Houston[9]	514	1.9%	Southwest Airlines	42.5%	United Airlines	40.2%	Southwest Airlines, Spirit Airlines, Sun Country Airlines, United Airlines
17	Cleveland	476	1.8%	Frontier Airlines	66.1%	Spirit Airlines	11.0%	Frontier Airlines, Southwest Airlines, Spirit Airlines
18	Raleigh	452	1.7%	Delta Air Lines	43.4%	Southwest Airlines	28.1%	American Airlines, Avelo Airlines, Breeze Airways, Delta Air Lines, Southwest Airlines
19	Phoenix[10]	401	1.5%	American Airlines	48.4%	Southwest Airlines	32.0%	American Airlines, Frontier Airlines, Southwest Airlines
20	Indianapolis	400	1.5%	Southwest Airlines	69.7%	Spirit Airlines	16.4%	Southwest Airlines, Spirit Airlines
Other O&D Markets		**8,889**	**33.1%**					
Total Domestic O&D Passengers		**26,817**	**100.0%**					

NOTES:
O&D – Origin and Destination
PDEW – Passengers Daily Each Way
Figures may not sum due to rounding.
1 Scheduled service operated during fiscal year 2023.
2 Includes John F. Kennedy International (JFK), Newark Liberty International (EWR), Long Island MacArthur (ISP), LaGuardia (LGA), and New York Stewart International (SWF) Airports.
3 Includes O'Hare (ORD) and Midway (MDW) International Airports.
4 Includes Ronald Reagan Washington National (DCA), Washington Dulles International (IAD), and Baltimore/Washington International Thurgood Marshall (BWI) Airports.
5 Includes Boston Logan International (BOS), Manchester-Boston Regional (MHT), and T. F. Green International (PVD) Airports, as well as Portland International Jetport (PWM).
6 Includes Dallas Fort Worth International Airport (DFW) and Dallas Love Field (DAL).
7 Includes Los Angeles International (LAX), Ontario International (ONT), Hollywood Burbank (BUR), Long Beach (LGB), and John Wayne (SNA) Airports.
8 Includes Fort Lauderdale–Hollywood International (FLL), Miami International (MIA), and Palm Beach International (PBI) Airports.
9 Includes George Bush Intercontinental (IAH) and William P. Hobby (HOU) Airports.
10 Includes Phoenix Sky Harbor International (PHX) and Phoenix-Mesa Gateway (AZA) Airports.
SOURCES: Sabre Market Intelligence, April 2024 (passenger bookings data); Cirium Diio, April 2024 (published airline schedules).

Table 5-7 presents the top 20 international O&D markets during FY 2023. In FY 2023, the top 5 international markets accounted for approximately 30 percent of total international O&D demand. The remaining international O&D passengers were spread across a broad range of destinations, and approximately 50 percent of total international O&D demand fell outside the top 20 markets. During the year, 12 of the top 20 international destinations received nonstop service from the Airport, and these destinations represented approximately 40 percent of international O&D demand. Other demand dispersed to markets that were not served nonstop from the Airport or did not rank in the Airport's top 20 international O&D destinations. Because of this, international O&D passengers were accommodated through a combination of nonstop international flights from the Airport as connections through other US gateway airports.

TABLE 5-7 TOP 20 INTERNATIONAL ORIGIN AND DESTINATION MARKETS (FISCAL YEAR 2023)

RANK	DESTINATION	AIRLINES PROVIDING NONSTOP SERVICE	O&D PASSENGERS (PDEW)	PERCENTAGE OF O&D PASSENGERS
1	Toronto, Canada[1]	Air Canada, Lynx Air,[2] Porter Airlines, WestJet Airlines	305	9.9%
2	London, United Kingdom[3]	British Airways, Virgin Atlantic	280	9.1%
3	Cancun, Mexico	Frontier Airlines, JetBlue Airways	149	4.9%
4	Havana, Cuba	Southwest Airlines	88	2.9%
5	Montreal, Canada	Air Canada, Lynx Air[2]	84	2.7%
6	Grand Cayman, Cayman Islands	Cayman Airways	65	2.1%
7	Rome, Italy	NA	59	1.9%
8	Frankfurt, Germany	Lufthansa[4]	57	1.9%
9	Amsterdam, Netherlands	NA[5]	46	1.5%
10	Vancouver, Canada[6]	NA	45	1.5%
11	Paris, France[7]	NA	44	1.4%
12	Punta Cana, Dominican Republic	Frontier Airlines	42	1.4%
13	Santo Domingo, Dominican Republic	Frontier Airlines	41	1.4%
14	Barcelona, Spain	NA	38	1.2%
15	Zurich, Switzerland	Edelweiss Air	36	1.2%
16	Nassau, Bahamas	Silver Airways	35	1.1%
17	Halifax, Canada	Air Canada	32	1.1%
18	Athens, Greece	NA	32	1.0%
19	Dublin, Ireland	NA	30	1.0%
20	Ho Chi Minh City, Vietnam	NA	30	1.0%
Other O&D Markets			**1,528**	**49.8%**
Total International O&D Passengers			**3,066**	**100.0%**

NOTES:
PDEW – Passengers Daily Each Way
O&D – Origin and Destination
NA – Not Applicable
Figures may not sum due to rounding.
1 Includes Billy Bishop Toronto City (YTZ) and Toronto Pearson International (YYZ) Airports.
2 Lynx Air ceased operations in February 2024 in conjunction with filing for creditor protection.
3 Includes London City (LCY), Gatwick (LGW), Heathrow (LHR), and Luton (LTN) Airports.
4 Service is currently provided by Discover Airlines, formerly known as Eurowings, a member of the Lufthansa Group.
5 Delta Air Lines is currently scheduled to resume service to Amsterdam Airport Schiphol (AMS) in fiscal year 2025.
6 Includes Vancouver International (YVR) and Abbotsford (YXX) Airports.
7 Includes Charles de Gaulle (CDG) and Orly (ORY) Airports.
SOURCES: Cirium Diio, May 2024 (published airline schedules); Sabre Market Intelligence, April 2024 (passenger bookings data); Ricondo & Associates, Inc., May 2024 (analysis).

Due to the role of the Air Trade Area as a major tourist destination, the majority O&D passengers are visitors residing outside the Air Trade Area; however, the share represented by resident O&D passengers increased over the historical period. **Table 5-8** depicts 10 years of historical O&D passenger volumes and the composition by resident and nonresident. Resident O&D passengers increased by a CAGR of 4.7 percent between FY 2014 and FY 2023, compared to a CAGR of 2.8 percent for visitor O&D passengers during the same period, resulting in an increase in the resident O&D passenger share of total O&D passengers from 43.8 percent in FY 2014 to 47.7 percent in FY 2023. The O&D passenger share of total enplaned passengers increased from 93.6 percent in FY 2014 to 97.1 percent in FY 2023.

TABLE 5-8 HISTORICAL ORIGIN AND DESTINATION PASSENGERS

(Fiscal Years Ended September 30)

FISCAL YEAR	TOTAL ENPLANED PASSENGERS	O&D ENPLANED PASSENGERS	PERCENTAGE OF O&D PASSENGERS	RESIDENT O&D PASSENGERS	PERCENTAGE OF RESIDENT O&D PASSENGERS	VISITOR O&D PASSENGERS	PERCENTAGE OF VISITOR O&D PASSENGERS
2014	8,673,747	8,114,322	93.6%	3,552,396	43.8%	4,561,926	56.2%
2015	9,263,336	8,694,318	93.9%	3,807,032	43.8%	4,887,286	56.2%
2016	9,485,879	9,027,425	95.2%	4,063,173	45.0%	4,964,252	55.0%
2017	9,638,070	9,190,902	95.4%	4,216,545	45.9%	4,974,357	54.1%
2018	10,520,552	10,074,828	95.8%	4,660,718	46.3%	5,414,110	53.7%
2019	11,085,290	10,604,281	95.7%	4,952,392	46.7%	5,651,889	53.3%
2020	6,681,063	6,438,187	96.4%	2,894,260	45.0%	3,543,927	55.0%
2021	7,717,164	7,456,780	96.6%	3,294,103	44.2%	4,162,677	55.8%
2022	10,688,831	10,391,686	97.2%	4,812,817	46.3%	5,578,869	53.7%
2023	11,560,792	11,225,419	97.1%	5,354,341	47.7%	5,871,078	52.3%
Compound Annual Growth Rate							
2014 – 2019	5.0%	5.5%		6.9%		4.4%	
2014 – 2023	3.2%	3.7%		4.7%		2.8%	

NOTE:
O&D – Origin and Destination
SOURCES: Hillsborough County Aviation Authority, April 2024; Sabre Market Intelligence, April 2024 (passenger bookings data).

5.2.3 AIRCRAFT OPERATIONS

Table 5-9 presents historical operations (takeoffs and landings) at the Airport between FY 2014 and FY 2023. Total operations recovered to pre-pandemic activity in FY 2022. Passenger airline aircraft operations recovered to FY 2019 levels in FY 2023, with changes in passenger aircraft operations reflecting the air service changes and pandemic recovery detailed in this chapter. Cargo aircraft operations peaked in FY 2020 as the demand for e-commerce grew and Amazon Air increased its activity at the Airport, while passenger belly cargo volumes were reduced in conjunction with pandemic-related flight reductions. Cargo activity decreased following this peak, due in part to a reduction in service by Amazon Air.

TABLE 5-9 HISTORICAL AIRCRAFT OPERATIONS

(Fiscal Year Ended September 30)

FISCAL YEAR	PASSENGER AIRLINE	ALL-CARGO	GENERAL AVIATION / OTHER AIR TAXI	MILITARY	TOTAL	ANNUAL GROWTH
2014	150,221	1,901	28,286	486	180,894	-2.7%
2015	156,418	2,046	30,787	448	189,699	4.9%
2016	153,848	3,094	31,807	467	189,216	-0.3%
2017	153,996	4,292	33,367	856	192,511	1.7%
2018	163,236	7,748	32,628	490	204,102	6.0%
2019	165,872	9,474	38,132	567	214,045	4.9%
2020	120,646	10,574	34,711	636	166,567	-22.2%
2021	129,144	8,400	42,913	881	181,338	8.9%
2022	156,566	8,592	48,450	697	214,305	18.2%
2023	168,032	6,166	48,712	779	223,689	4.4%
Compound Annual Growth Rate						
2014 – 2019	2.0%	37.9%	6.2%	3.1%	3.4%	
2014 – 2023	1.3%	14.0%	6.2%	5.4%	2.4%	

SOURCES: Hillsborough County Aviation Authority, April 2024 (commercial and total operations data); US Department of Transportation, Federal Aviation Administration, Operations Network, April 2024 (military operations data).

5.2.4 LANDED WEIGHT

Table 5-10 presents the share of landed weight by passenger and all-cargo airlines at the Airport between FY 2019 and FY 2023. Landed weight was distributed among several airlines, with no airline having more than 30 percent of annual landed weight at the Airport during the period shown. Southwest represented the largest share of total landed weight throughout the period between FY 2019 and FY 2023. Throughout the period, the five largest airlines by landed weight were passenger airlines, and these airlines consistently represented more than 70 percent of total landed weight at the Airport. Several cargo airlines ranked in the top 10 largest airlines operating at the Airport during at least one year of the period, including FedEx and UPS. FedEx, the largest all-cargo airline at the Airport by landed weight during the period, was the eighth largest airline overall by landed weight in FY 2023, representing 3.0 percent of total landed weight during the year, with FedEx's share peaking at 4.4 percent in FY 2021 in response to cargo trends discussed previously.

TABLE 5-10 HISTORICAL TOTAL LANDED WEIGHT BY AIRLINE

(Fiscal Years Ended September 30, in 1,000-Pound Units)

	2019		2020		2021		2022		2023	
AIRLINE [1]	LANDED WEIGHT	SHARE	LANDED WEIGHT	SHARE	LANDED WEIGHT	SHARE	LANDED WEIGHT	SHARE	LANDED WEIGHT	SHARE
Southwest Airlines	3,712,410	28.3%	2,889,840	28.7%	2,603,784	24.9%	2,992,048	23.6%	3,313,245	24.7%
Delta Air Lines	1,963,517	15.0%	1,314,224	13.0%	1,920,639	18.4%	1,996,594	15.7%	2,114,268	15.7%
American Airlines	1,874,396	14.3%	1,368,408	13.6%	1,477,989	14.2%	1,956,626	15.4%	1,990,234	14.8%
United Airlines	1,118,340	8.5%	748,594	7.4%	899,492	8.6%	1,164,181	9.2%	1,223,213	9.1%
Frontier Airlines	515,949	3.9%	421,496	4.2%	427,426	4.1%	719,637	5.7%	885,421	6.6%
JetBlue Airways	685,238	5.2%	462,526	4.6%	640,412	6.1%	685,251	5.4%	830,040	6.2%
Spirit Airlines	949,962	7.2%	834,266	8.3%	835,024	8.0%	920,053	7.3%	784,747	5.8%
FedEx	445,480	3.4%	424,752	4.2%	460,794	4.4%	475,807	3.7%	397,948	3.0%
UPS	335,624	2.6%	345,557	3.4%	302,035	2.9%	286,673	2.3%	247,274	1.8%
Breeze Airways	0	0.0%	0	0.0%	44,571	0.4%	146,987	1.2%	195,457	1.5%
Atlas Air	368,160	2.8%	246,792	2.5%	394,901	3.8%	393,484	3.1%	194,143	1.4%
Air Canada	183,461	1.4%	134,244	1.3%	14,631	0.1%	112,030	0.9%	158,000	1.2%
Air Transport International	173,175	1.3%	318,871	3.2%	119,828	1.1%	203,568	1.6%	151,454	1.1%
British Airways	156,400	1.2%	67,160	0.7%	0	0.0%	121,900	1.0%	143,980	1.1%
Alaska Airlines	66,912	0.5%	74,422	0.7%	124,704	1.2%	119,965	0.9%	137,669	1.0%
Virgin Atlantic	0	0.0%	0	0.0%	0	0.0%	0	0.0%	134,888	1.0%
Silver Airways	93,840	0.7%	75,625	0.8%	74,632	0.7%	71,911	0.6%	106,642	0.8%
Lufthansa	108,710	0.8%	58,643	0.6%	0	0.0%	84,168	0.7%	99,325	0.7%
Avelo Airlines	0	0.0%	0	0.0%	0	0.0%	26,533	0.2%	80,773	0.6%
All Others [2]	378,233	2.9%	286,393	2.8%	95,559	0.9%	211,081	1.7%	250,124	1.9%
Airport Total	**13,129,806**	**100.0%**	**10,071,813**	**100.0%**	**10,436,421**	**100.0%**	**12,688,495**	**100.0%**	**13,438,843**	**100.0%**

NOTES:
Totals may not sum due to rounding.
1 Includes regional/commuter affiliates.
2 Consists of airlines no longer serving the Airport, unaffiliated airlines, and/or charter airlines.
SOURCE: Hillsborough County Aviation Authority, April 2024.

5.3 FACTORS AFFECTING AVIATION DEMAND AT THE AIRPORT

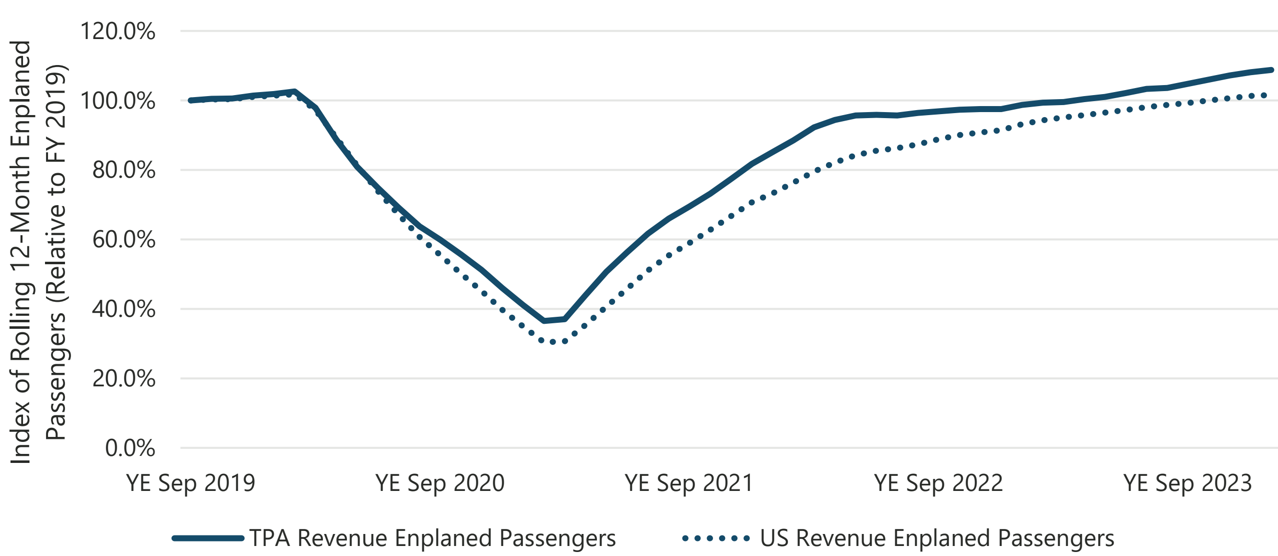
This section discusses the qualitative factors that may influence future aviation activity at the Airport. These factors were considered, either directly or indirectly, in developing the aviation activity forecasts for the Airport.

5.3.1 IMPACT OF THE COVID-19 PANDEMIC

The outbreak and spread of the COVID-19 pandemic severely curbed global aviation demand. The impact to air travel began in East Asia in December 2019 and rapidly accelerated to other regions of the world in March and April 2020. Airlines responded by reducing capacity across their networks due to decreased demand, travel restrictions, and border closures. May 2020 represented the low point in terms of passenger airline capacity offered, and airline capacity started to recover in June to areas with access to sun and leisure activities, such as Florida, where people could visit while also remaining socially distanced.

The minimum enplaned passenger volume for a rolling 12-month basis recorded relative to FY 2019 at the Airport was 36.5 percent, while the minimum recorded for the United States was 30.4 percent, with both occurring in the year ending February 2021. Demand for travel from TPA outpaced the rest of the nation throughout the recovery period. In the second half of FY 2022 and the first half of FY 2023, rolling 12-month enplaned passenger volumes at TPA remained near 100 percent of FY 2019 volumes, as airlines restored capacity to other markets and international travel restrictions loosened. In the second half of FY 2023, growth at TPA resumed, a trend that continued through the 12-month period ending January 2024, the most recent month with available data. Rolling annual enplaned passenger volumes at TPA represented 108.8 percent of FY 2019 volumes in the year ending January 2024. **Exhibit 5-4** depicts the Airport's revenue enplaned passenger volume recovery relative to the United States on a rolling 12-month basis.

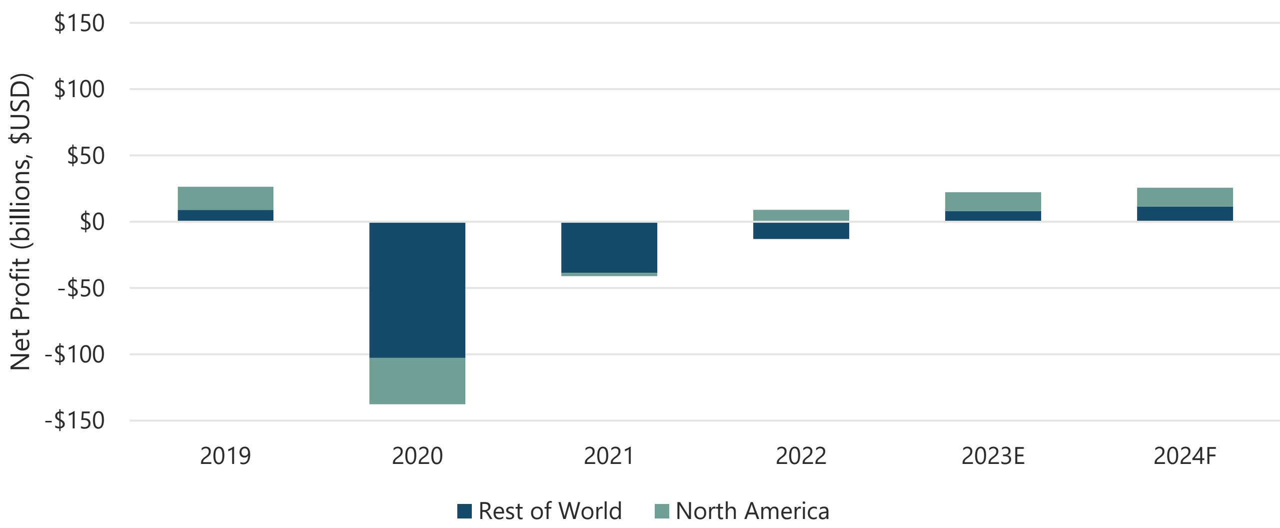
EXHIBIT 5-4 ENPLANED REVENUE PASSENGER RECOVERY – TAMPA INTERNATIONAL AIRPORT AND THE UNITED STATES



NOTES:
TPA – Tampa International Airport
US – United States
YE Sep – Year Ending September
FY – Fiscal Year
Enplaned passengers indexed to FY 2019 total.
SOURCE: Cirium Diio, April 2024 (US Department of Transportation, T-100 data).

Globally, airlines experienced an operating loss of $137.7 billion in 2020, which lessened in 2021. In 2022, North American airlines returned to profitability, while airlines throughout the rest of the world were estimated to have returned to profitability in 2023.[119] **Exhibit 5-5** shows the airline profitability for North America and for the rest of the world from 2019 to 2024 (as projected).

EXHIBIT 5-5 NET PROFIT OF COMMERCIAL AIRLINES WORLDWIDE



NOTES:
2023E – Estimated
2024F – Forecast
SOURCE: International Air Transport Association, *Global Outlook for Air Transport – December 2023 – Data Tables*, May 2024.

5.3.2 NATIONAL ECONOMY

Historically, trends in airline travel have been closely correlated with national economic trends, most notably changes in GDP. Chapter 4 of this Report presents an analysis of the general economic trends, both national and local, that may influence demand for air service over time. National GDP is expected to increase approximately 3.7 percent annually through the Projection Period, which should support generally increasing demand for air service over the Projection Period. Actual economic activity may differ from this projection, especially on a year-to-year basis. Additionally, demand for air service may be impacted by changes in economic performance.

5.3.3 MERGERS, ACQUISITIONS, AND NEW ENTRANT AIRLINES

US airlines have merged or acquired competitors to achieve operational and commercial synergies and to improve their financial performance. A wave of consolidation began in 2005 when America West Airlines merged with US Airways, retaining the US Airways brand for the consolidated airline. In 2009, Delta acquired Northwest Airlines. In 2010, United acquired Continental Airlines. In 2011, Southwest acquired AirTran Airways. In 2013, US Airways and American merged, with the consolidated airline retaining the American brand. The most recent consolidation occurred in 2016 when Alaska acquired Virgin America. The two airlines completed their integration in 2018. In December 2023 Alaska announced its intention to acquire Hawaiian Airlines, subject to regulatory approval.

[119] International Air Transport Association, *Global Outlook for Air Transport – December 2023 – Data Tables*, https://www.iata.org/en/iata-repository/publications/economic-reports/industry-statistics-fact-sheet-december-2023/ (accessed May 9, 2024).

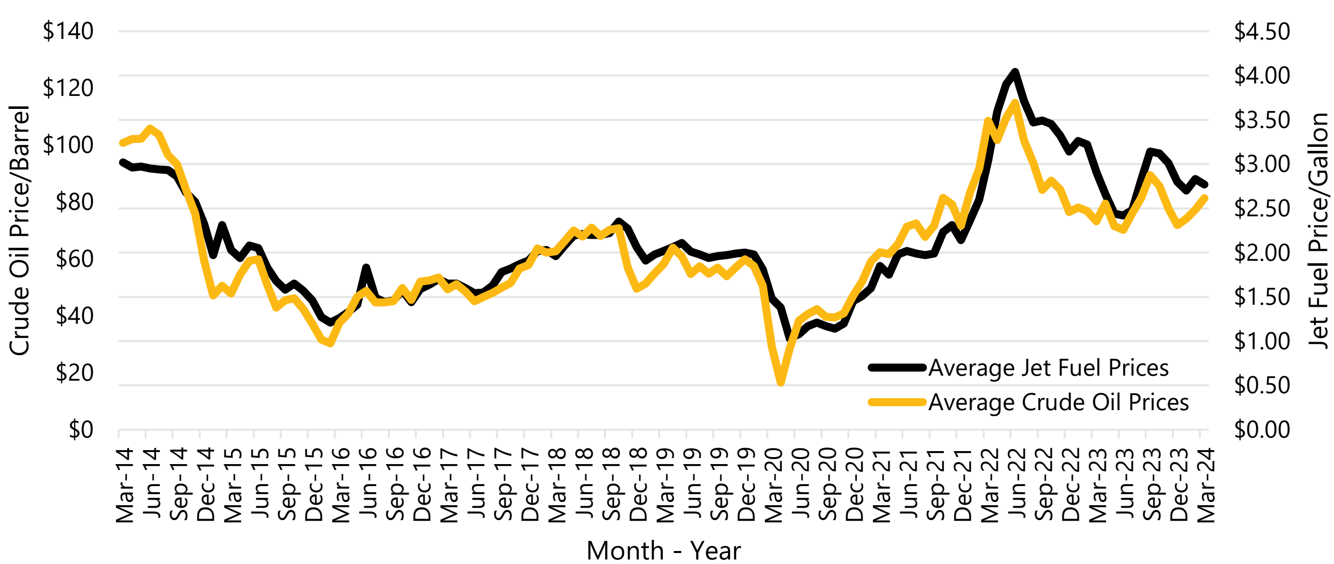
Consolidation across the industry has resulted in the realignment of several airline route networks as airlines have sought efficiencies in their service. Further consolidation of the US airline industry could affect the amount of capacity offered at the Airport and could alter the competitive landscape.

Over the last four years, two new airlines, Avelo and Breeze, have commenced operations in the US domestic passenger airline industry. Both airlines have commenced service to TPA. According to published airline schedules as of May 2024, the Airport is the tenth-largest airport by scheduled departures and departing seat capacity in the Avelo network and the third-largest airport by scheduled departures and departing seat capacity in the Breeze network.

5.3.4 COST OF AVIATION FUEL

As of the third quarter of CY 2024, jet fuel accounted for 20.8 percent of total airline operating costs, second only to labor, according to Airlines for America.[120] The average price of jet fuel peaked in June 2022 at $4.04 per gallon, having grown steadily since April 2020, which represented the lowest price observed during the historical period. Fluctuating fuel costs affect airline profitability, which could lead to air service changes as airlines adjust capacity and pricing to address changes in the cost of fuel. **Exhibit 5-6** shows the monthly averages for jet fuel and crude oil prices from March 2014 through March 2024.

EXHIBIT 5-6 HISTORICAL MONTHLY AVERAGES OF JET FUEL AND CRUDE OIL PRICES



SOURCES: US Bureau of Transportation Statistics, May 2024; US Energy Information Administration, May 2024.

5.3.5 THREAT OF TERRORISM AND GEOPOLITICAL ISSUES

Since September 11, 2001, the recurrence of terrorism incidents against either domestic or world aviation has remained a risk to achieving forecast levels of activity. Tighter security measures have restored the public's

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[120] Airlines for America, *Passenger Airline Cost Index (PACI)*, http://airlines.org/dataset/a4a-quarterly-passenger-airline-cost-index-u-s-passenger-airlines/ (accessed May 9, 2024).

confidence in the integrity of the US and global aviation security systems. However, any terrorist incident targeting aviation could have an immediate and significant impact on the demand for air travel.

Additionally, geopolitical issues may affect aviation activity during the Projection Period. Potential governmental or regional instability in certain countries or locations may affect access to, or demand for, aviation service in these places. At the time of this Report, the Russian invasion of Ukraine, which began in February 2022, is still ongoing. Additionally, an escalation of conflict between Israel and Hamas, which began in October 2023, remains an evolving situation. Further developments in these conflicts could exacerbate geopolitical and economic uncertainty and potentially impact demand for travel to certain regions.

5.3.6 OTHER AIRPORTS IN THE REGION

Activity at the Airport could be affected by the availability and quality of air service at nearby airports. Passengers in the region consider factors such as the nonstop service offered, the price of service at the Airport, and competing airports, when making travel decisions, and passenger leakage could occur if passengers in the Air Trade Area choose to use a competing airport instead of TPA. Airports evaluated as competitors for this analysis are RSW, MCO, SRQ, and PIE. **Exhibit 5-7** presents these airports and their proximity to TPA.

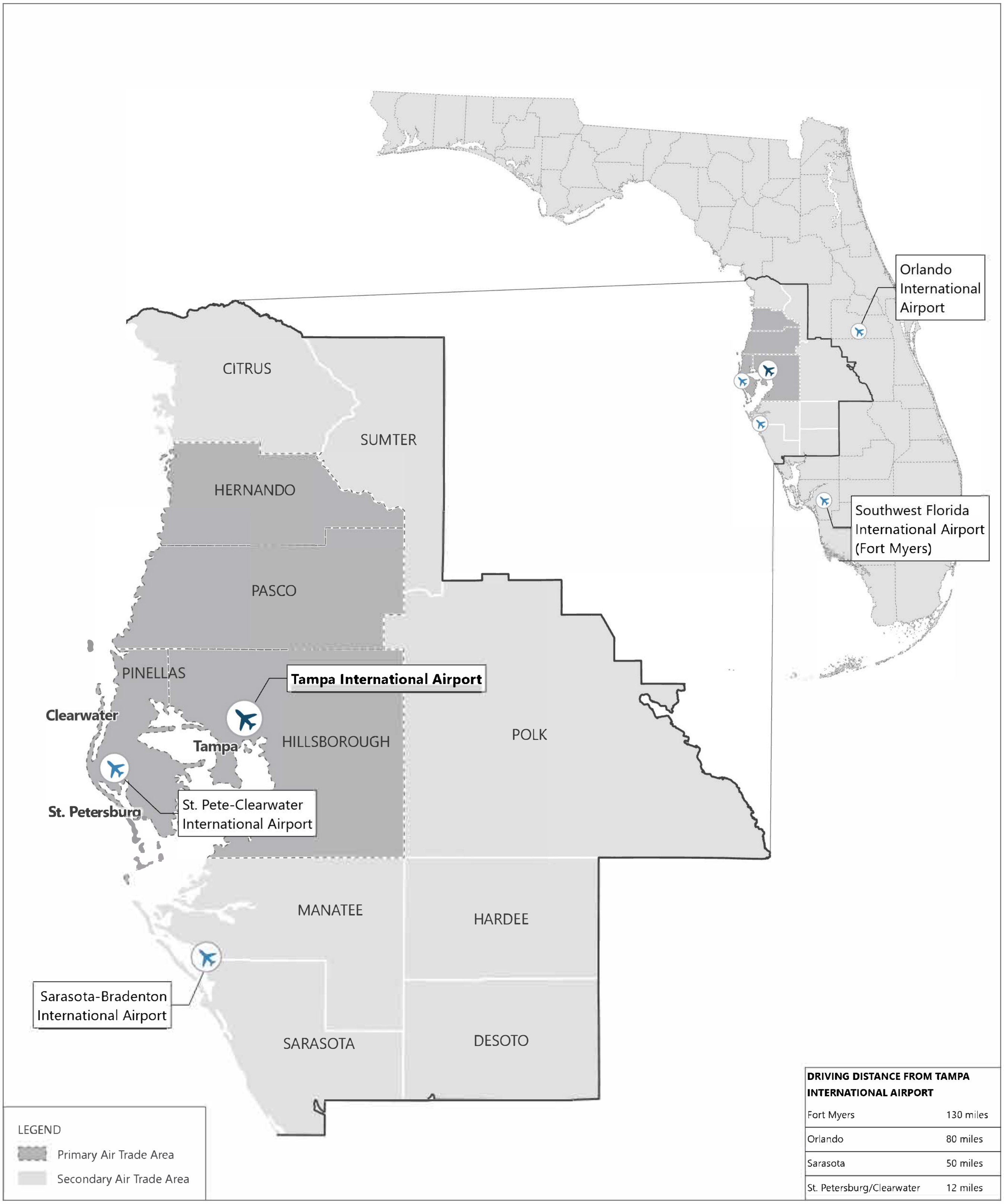
The four competing airports, as well as TPA, are presented in **Table 5-11**, which summarizes enplaned passengers, number of domestic and international destinations served, average daily departures, average domestic fare and yield, percentage of passengers originating at each airport, and distance from Tampa. **Table 5-12** compares the airlines serving each airport and the number of destinations served by those airlines. Data are presented for FY 2024 in both tables.

RSW is located approximately 130 miles south of the Airport along the Gulf Coast on I-75. In FY 2024, 16 airlines provided an average of 108 scheduled daily departures to 61 domestic destinations and 3 international destinations. As shown in Table 5-11, a small difference in average domestic fare exists between the Airport and RSW, and yield is consistent between the two airports. TPA received service from all but 5 airports served from RSW in FY 2024.

MCO is located to the northeast of Tampa via I-4. In FY 2024, 39 airlines provided an average of 536 daily departures to 115 domestic destinations and 59 international destinations. There are 98 destinations that are served nonstop from MCO that are also served nonstop from the Airport. Nonstop service is provided from the Airport to 6 airports without nonstop service from MCO.

SRQ is located approximately 50 miles south of the Airport, about halfway down I-75 in the direction of RSW. In FY 2024, 11 airlines provided nonstop service to 53 domestic destinations and 1 international destination, with an average of 47 daily departures. There are 43 destinations served nonstop from both SRQ and TPA, while SRQ receives service to 13 airports without nonstop service to TPA.

PIE is located 12 miles to the west of the Airport, across Old Tampa Bay. In FY 2024, 2 airlines provided nonstop service to 63 domestic destinations, with an average of 23 daily departures. TPA receives service to 20 of the 63 destinations served from PIE. Allegiant Air provides service to smaller secondary airports in or near large metropolitan areas, which is reflected in the low fares from PIE relative to other airports in Table 5-11, as well as the differing air service profile. Many of the markets served from PIE are served less than daily, providing a less competitive schedule compared to TPA.



DRIVING DISTANCE FROM TAMPA INTERNATIONAL AIRPORT	
Fort Myers	130 miles
Orlando	80 miles
Sarasota	50 miles
St. Petersburg/Clearwater	12 miles

SOURCES: Esri, 2023 (airports, cities); US Census Bureau, 2022 (counties, state).

NORTH 0 25 mi

EXHIBIT 5-7

COMPETING AIRPORTS

TABLE 5-11 COMPETING AIRPORTS SUMMARY

AIRPORT	SCHEDULED SEATS [1]	LARGEST AIRLINE AND ITS SHARE OF TOTAL SEATS	NUMBER OF MARKETS SERVED			AVERAGE DAILY DEPARTURES [4]	AVERAGE DOMESTIC FARE [5]	AVERAGE DOMESTIC YIELD [6]	PERCENTAGE OF ORIGINATING O&D PASSENGERS[7]	DISTANCE FROM TAMPA (MILES)
			DOMESTIC [2]	INTERNATIONAL [3]	TOTAL					
Tampa International Airport (TPA)	**42,125**	**Southwest Airlines (26.5%)**	**84**	**20**	**104**	**252**	**$185**	**$0.15**	**44.8%**	**-**
Competing Airports										
Southwest Florida International Airport (RSW)	18,625	Delta Air Lines (19.3%)	61	3	64	108	$189	$0.15	35.8%	130
Orlando International Airport (MCO)	96,135	Southwest Airlines (21.5%)	115	59	174	536	$164	$0.13	32.7%	80
Sarasota-Bradenton International Airport (SRQ)	7,495	Southwest Airlines (26.6%)	53	1	54	47	$166	$0.15	35.6%	50
St. Pete–Clearwater International Airport (PIE)	4,066	Allegiant Air (97.8%)	63	0	63	23	$76	$0.09	34.7%	12

NOTES:
O&D – Origin and Destination
1 Average daily seat capacity as scheduled in fiscal year (FY) 2024.
2 Regularly scheduled nonstop service to airports within the United States during FY 2024.
3 Regularly scheduled nonstop service to airports outside the United States during FY 2024.
4 Average daily departures as scheduled in FY 2024.
5 Average domestic fare as of the 12-month period ending September 30, 2023 (FY 2023). Excludes ancillary fees and charges.
6 Average domestic yield as of the 12-month period ending September 30, 2023 (FY 2023). Excludes ancillary fees and charges.
7 Originating O&D passenger percentages as of the 12-month period ending September 30, 2023 (FY 2023).
SOURCE: Cirium Diio, May 2024 (published airline schedules; US Department of Transportation, DB1B data).

TABLE 5-12 DESTINATIONS SERVED BY AIRLINE DURING FISCAL YEAR 2024

AIRLINE	TAMPA INTERNATIONAL AIRPORT (TPA)	ORLANDO INTERNATIONAL AIRPORT (MCO)	SARASOTA-BRADENTON INTERNATIONAL AIRPORT (SRQ)	SOUTHWEST FLORIDA INTERNATIONAL AIRPORT (RSW)	ST. PETE–CLEARWATER INTERNATIONAL AIRPORT (PIE)
Southwest Airlines	**45**	61	15	24	0
Spirit Airlines	**26**	51	0	14	0
Breeze Airways	**24**	21	2	14	0
Frontier Airlines	**21**	56	2	14	0
American Airlines	**11**	9	6	6	0
Delta Air Lines	**11**	16	4	7	0
Silver Airways	**11**	9	0	0	0
JetBlue Airways	**9**	26	3	8	0
United Airlines	**8**	8	5	8	0
Alaska Airlines	**5**	4	0	2	0
Air Canada	**4**	4	1	1	0
Avelo Airlines	**4**	12	3	3	0
WestJet Airlines	**4**	11	0	2	0
Lynx Air	**2**	4	0	1	0
Aeroméxico	**1**	1	0	0	0
British Airways	**1**	1	0	0	0
Cayman Airways	**1**	0	0	0	0
Copa Airlines	**1**	1	0	0	0
Edelweiss Air	**1**	0	0	0	0
Lufthansa	**1**	1	0	1	0
Porter Airlines	**1**	2	0	1	0
Sun Country Airlines	**1**	3	1	7	2
Virgin Atlantic	**1**	3	0	0	0
Aer Lingus	**0**	2	0	0	0
Air Transat	**0**	5	0	0	0
Allegiant Air	**0**	3	27	0	61
Avianca	**0**	4	0	0	0
Azul Linhas Aéreas Brasileiras	**0**	3	0	0	0
Bahamasair	**0**	2	0	0	0
BermudAir	**0**	1	0	0	0
Canada Jetlines	**0**	2	0	0	0
Caribbean Airlines	**0**	1	0	0	0
Emirates	**0**	1	0	0	0
Gol	**0**	2	0	0	0
Iberojet	**0**	1	0	0	0
Icelandair	**0**	1	0	0	0
LATAM	**0**	3	0	0	0
Norse Atlantic	**0**	1	0	0	0
Sunwing Airlines	**0**	3	0	0	0
VivaAerobus	**0**	2	0	0	0
Volaris	**0**	2	0	0	0

NOTE:
Regularly scheduled nonstop service to airports during FY 2024.
SOURCE: Cirium Diio, May 2024 (published airline schedules).

5.4 FORECAST OF PASSENGER DEMAND AND AIRLINE OPERATIONS

5.4.1 ACTIVITY FORECAST METHODOLOGY

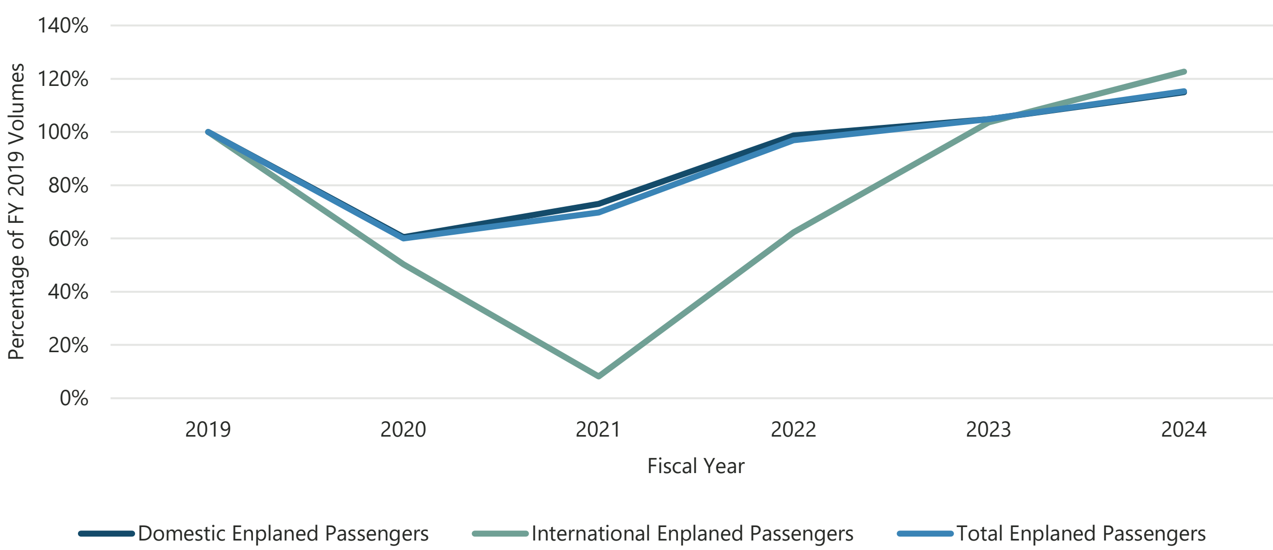
Forecasts of Airport activity were developed for FY 2024 through FY 2030. The assumptions, techniques, and results of the forecast process are described in the following subsections.

5.4.1.1 SHORT-TERM PASSENGER ACTIVITY FORECAST METHODOLOGY

The short-term passenger forecast analyzed qualitative and quantitative factors, including published airline schedules, historical data, and assumptions based on industry trends, to forecast passenger activity for FY 2024. Actual reported activity data were available for the period from October 2023 to February 2024, with published airline schedules used to estimate the period from March 2024 to September 2024. Airline and region-level estimates of performance were developed based on trends of load factors and completion rates. These were identified through analysis of actual data furnished by the Authority and US DOT enplaned passenger and O&D data available through the end of FY 2023. Estimates of load factors and completion rates were applied to scheduled seat capacity and operations to derive enplaned passenger and operations forecasts for the remainder of FY 2024.

This approach, which models the forecast from a bottom-up, flight segment level of granularity, was used for both domestic and international passenger activity; both segments recovered to pre-pandemic activity levels by FY 2023. **Exhibit 5-8** depicts the forecast recovery for domestic, international, and total enplaned revenue passengers to FY 2019 volumes.

EXHIBIT 5-8 ENPLANED REVENUE PASSENGER RECOVERY AND FISCAL YEAR 2024 FORECAST



NOTE:
FY – Fiscal Year
SOURCES: Cirium Diio, April 2024 (US Department of Transportation, T-100 data); Ricondo & Associates, Inc., April 2024 (analysis).

5.4.1.2 LONG-TERM PASSENGER ACTIVITY FORECAST METHODOLOGY

Longer-term O&D passenger activity was forecast using socioeconomic regression analysis techniques that identified predictive statistical relationships between the Airport's historical O&D passenger volumes and several independent socioeconomic variables sourced from Woods & Poole. Socioeconomic variables incorporated in the regression analysis model include population, employment, total and net earnings, total and PCPI, and gross regional and domestic product for the Air Trade Area.

Regression analysis was performed for the 20-year period between 2000 and 2019. Activity occurring in the period from 2020 to 2023 was not included in the regression analysis as it was influenced by pandemic-related factors that are not representative of typical factors driving aviation demand that are expected to influence future activity levels. Similarly, regressions were performed on a CY basis, aligning with the annual period for socioeconomic projections, with the forecast growth rates assumed to apply to a FY baseline in the long-term forecast methodology. Regression models were based on data prior to the onset of the COVID-19 pandemic, as the traditional relationships between socioeconomic variables and passenger volume have been normalizing following the period of disruption during the pandemic, with full passenger recovery at the Airport occurring in FY 2023, the base year for the Projection Period.

The resulting regression equations were then populated with independent projections of the relevant socioeconomic variables sourced from Woods & Poole, yielding a range of potential O&D passenger growth. **Table 5-13** shows the relationships selected for use in this forecast of O&D passengers and their FY 2023 to FY 2030 CAGRs. Passenger growth was forecast using these relationships beginning with FY 2025.

TABLE 5-13 SOCIOECONOMIC REGRESSION ANALYSIS OUTPUTS – DOMESTIC AND INTERNATIONAL ORIGIN AND DESTINATION PASSENGER VOLUMES

SOCIOECONOMIC VARIABLE	GEOGRAPHY	IMPLIED FY 2023 – FY 2030 CAGR
Domestic O&D		
Total Earnings	Florida	2.0%
Net Earnings	Florida	2.0%
Per Capita Personal Income	Florida	1.8%
Gross Regional Product	Florida	2.0%
Employment	Air Trade Area	1.5%
Total Earnings	Air Trade Area	1.9%
Net Earnings	Air Trade Area	1.8%
Average		**1.9%**
International O&D		
Population	Air Trade Area	2.8%
Total Personal Income	Air Trade Area	4.0%
Per Capita Personal Income	Air Trade Area	4.0%
Gross Regional Product	Air Trade Area	3.8%
Population	Florida	2.9%
Employment	Florida	3.1%
Total Personal Income	Florida	4.0%
Population	United States	2.8%
Employment	United States	3.7%
Total Earnings	United States	3.8%
Total Personal Income	United States	3.8%
Net Earnings	United States	3.9%
Per Capita Personal Income	United States	3.6%
Gross Domestic Product	United States	3.7%
Average		**3.6%**

NOTES:
CAGR – Compound Annual Growth Rate
FY – Fiscal Year
O&D – Origin and Destination
SOURCES: Woods & Poole Economics, Inc., April 2024 (socioeconomic projections); Ricondo & Associates, Inc., April 2024 (analysis).

Between FY 2014 and FY 2020, connecting passengers decreased from 6.5 percent of total enplaned passengers to 2.9 percent of total passengers at the Airport, with a 2.8 percent minimum connecting passenger share recorded in FY 2022. Due to the Airport's role as primarily a spoke serving airline hubs, it is not expected that connecting passengers will compose a significant portion of passenger traffic during the Projection Period. Connections that do occur will continue to be incidental in nature or reflect limited interline arrangements between Silver and other airlines, rather than the result of specific efforts by airlines to connect traffic through the Airport. As a result, the forecast assumes connecting passengers as a percentage of total passengers will remain constant throughout the Projection Period at the FY 2023 level of 2.9 percent of total enplaned passengers.

5.4.1.3 OTHER ASSUMPTIONS INCORPORATED INTO ACTIVITY FORECASTS

The following assumptions were also incorporated into the forecasts:

- Airlines will continue their trend of upgauging to larger average aircraft sizes that can accommodate more passengers per operation at the Airport, resulting in operations growing at a slower rate than enplaned passengers.
- International O&D passenger demand growth will be accommodated through a combination of passengers using domestic flight segments to access other major international gateways in the United States (such as Miami [MIA] or Hartsfield-Jackson Atlanta [ATL] International Airports), as well as new international nonstop flying.
- It is assumed that current ongoing constraints resulting from fleet availability and labor shortages will ease over time, with lessening impact in the longer-term portion of the Projection Period.
- For these analyses, and as with the FAA assumptions for its nationwide forecasts, it is assumed that neither terrorist incidents that materially impact US air traffic demand during the Projection Period will occur, nor will variants of COVID-19 emerge that would result in a similar reduction in air service as experienced at the onset of the COVID-19 pandemic.

5.4.2 PASSENGER VOLUME FORECAST

Table 5-14 presents the forecast of passenger activity at the Airport based on the methodology described previously. Total annual enplaned passengers are forecast to grow from 11.6 million in FY 2023 to 14.4 million in FY 2030, representing a 3.2 percent CAGR, which is in line with total annual enplaned passenger growth during the historical period from FY 2014 to FY 2023. International enplaned passengers are forecast to grow at a higher rate than domestic enplaned passengers during the forecast period, representing 3.0 percent and 5.7 percent CAGRs, respectively. Forecast growth in domestic enplaned passengers is in line with growth recorded during the historical period, whereas international enplaned passengers are forecast to grow at a lower CAGR than exhibited during the historical period.

5.4.3 PASSENGER AIRCRAFT OPERATIONS FORECAST

Passenger volume growth at the Airport is expected to be accommodated through a combination of larger aircraft, new flights, and increasing load factors. Passenger aircraft operations were forecast based on the enplaned passenger forecast and historical data, trends, and assumptions related to fleet mix and airline load factors at the Airport. **Table 5-15** presents the forecast of passenger aircraft operations, average seats per departure, average load factor, and total seats and passenger volumes for the Projection Period.

TABLE 5-14 ENPLANED PASSENGER FORECAST

(Fiscal Years Ended September 30)

FISCAL YEAR	DOMESTIC ENPLANED PASSENGERS	INTERNATIONAL ENPLANED PASSENGERS	TOTAL ENPLANED PASSENGERS	ANNUAL GROWTH
Historical				
2014	8,381,339	292,408	8,673,747	2.1%
2015	8,924,246	339,090	9,263,336	6.8%
2016	9,067,888	417,991	9,485,879	2.4%
2017	9,201,486	436,584	9,638,070	1.6%
2018	10,035,679	484,873	10,520,552	9.2%
2019	10,510,485	574,805	11,085,290	5.4%
2020	6,400,465	280,598	6,681,063	-39.7%
2021	7,672,647	44,517	7,717,164	15.5%
2022	10,333,795	355,036	10,688,831	38.5%
2023	10,983,516	577,276	11,560,792	8.2%
Forecast				
2024	12,036,742	683,430	12,720,172	10.0%
2025	12,285,336	710,735	12,996,070	2.2%
2026	12,533,886	737,963	13,271,849	2.1%
2027	12,784,186	765,313	13,549,499	2.1%
2028	13,036,365	792,792	13,829,157	2.1%
2029	13,290,865	820,454	14,111,319	2.0%
2030	13,547,928	848,311	14,396,239	2.0%
Compound Annual Growth Rate				
2014 – 2019	4.6%	14.5%	5.0%	
2014 – 2023	3.0%	7.9%	3.2%	
2023 – 2030	3.0%	5.7%	3.2%	

SOURCES: Hillsborough County Aviation Authority, April 2024 (historical data); Ricondo & Associates, Inc., April 2024 (forecast).

TABLE 5-15 PASSENGER AIRCRAFT OPERATIONS FORECAST

(Fiscal Years Ended September 30)

FISCAL YEAR	PASSENGER AIRCRAFT OPERATIONS	AVERAGE SEATS PER DEPARTURE	AVERAGE LOAD FACTOR	TOTAL PASSENGERS	TOTAL SEATS
Historical					
2014	150,221	138.0	83.7%	17,351,999	20,729,526
2015	156,418	140.1	84.6%	18,537,101	21,913,735
2016	153,848	145.0	84.9%	18,935,818	22,300,879
2017	153,996	147.1	84.9%	19,221,470	22,652,595
2018	163,236	151.0	85.3%	21,028,994	24,641,846
2019	165,872	155.7	85.1%	21,985,547	25,825,041
2020	120,646	158.8	69.1%	13,243,354	19,157,792
2021	129,144	160.1	74.2%	15,344,502	20,671,644
2022	156,566	162.3	83.8%	21,284,404	25,411,166
2023	168,032	165.0	83.0%	23,020,478	27,719,424
Forecast					
2024	187,025	167.3	81.3%	25,440,345	31,291,545
2025	189,717	168.0	81.6%	25,992,141	31,871,793
2026	192,256	168.8	81.8%	26,543,698	32,447,903
2027	194,506	169.8	82.1%	27,098,998	33,024,792
2028	196,855	170.7	82.3%	27,658,313	33,602,789
2029	198,947	171.8	82.6%	28,222,638	34,183,094
2030	201,031	172.9	82.8%	28,792,478	34,766,300
Compound Annual Growth Rate					
2014 – 2019	2.0%	2.4%		4.8%	4.5%
2014 – 2023	1.3%	2.0%		3.2%	3.3%
2023 – 2030	2.6%	0.7%		3.2%	3.3%

SOURCES: Hillsborough County Aviation Authority, April 2024 (historical passenger data); Cirium Diio, April 2024 (published airline schedules; US Department of Transportation, T-100 data); Ricondo & Associates, Inc., April 2024 (forecast).

Average seats per departure at the Airport increased from 138.0 seats per departure to 165.0 seats per departure, representing a 2.0 percent CAGR. This trend was influenced by aircraft upgauging across the US domestic airline industry, exemplified by Southwest's augmentation of 143-seat Boeing 737-700 aircraft with larger 175-seat Boeing 737-800 and MAX 8 aircraft, as well as the growth of ULCCs Spirit and Frontier, which operate Airbus A320 family aircraft with a dense, all-economy configuration. Based on the analysis of future airline aircraft orders and fleet plans, airlines are expected to continue to upgauge their aircraft. Average seats per departure are expected to increase from 165.0 in FY 2023 to 172.9 in FY 2030, representing a 0.7 percent CAGR. Load factors were assumed to decrease in the short-term forecast methodology in response to recent trends in actual reported activity at the Airport before increasing in the long-term.

5.4.4 CARGO VOLUME AND OPERATIONS FORECASTS

Historical cargo activity at the Airport was examined to develop forecasts of cargo carried by dedicated freighter aircraft and cargo carried by passenger aircraft in belly compartments. Historically, most cargo tonnage is carried by dedicated freighter aircraft, accounting for between 79.0 percent and 94.1 percent of total cargo tonnage. The TPA cargo volume forecast used regression analysis to identify predictive relationships between historical dedicated freighter cargo tonnage at the Airport and socioeconomic variables for the period between CY 1990 and CY 2023. Data for the period from 2020 through 2023 were included in the cargo regression analysis because of the relative robustness of cargo demand during the COVID-19 pandemic, including factors such as rapid fulfillment of healthcare equipment and increased e-commerce during the lockdown period. Similarly, reductions in passenger widebody operations limited the passenger belly volume able to transport cargo, leading to increased volumes transported on all-cargo aircraft. Socioeconomic variables were projected on a CY basis, and growth rates of the resulting regressions were assumed to apply to dedicated freighter volumes on a FY basis at the Airport. **Table 5-16** presents the regression analysis results.

TABLE 5-16 SOCIOECONOMIC REGRESSION ANALYSIS OUTPUTS – DEDICATED FREIGHTER AIRCRAFT CARGO VOLUME

SOCIOECONOMIC VARIABLE	GEOGRAPHY	IMPLIED FY 2023 – FY 2030 CAGR
Population	United States	3.1%
Employment	United States	4.2%
Total Earnings	United States	4.1%
Total Personal Income	United States	4.2%
Net Earnings	United States	4.1%
Per Capita Personal Income	United States	3.9%
Gross Domestic Product	United States	4.0%
Population	Florida	3.2%
Employment	Florida	3.7%
Total Earnings	Florida	4.4%
Total Personal Income	Florida	4.6%
Net Earnings	Florida	4.3%
Per Capita Personal Income	Florida	4.1%
Gross Regional Product	Florida	4.5%
Population	Air Trade Area	3.1%
Employment	Air Trade Area	3.5%
Total Earnings	Air Trade Area	3.9%
Total Personal Income	Air Trade Area	4.4%
Net Earnings	Air Trade Area	3.9%
Per Capita Personal Income	Air Trade Area	4.1%
Gross Regional Product	Air Trade Area	4.0%
Average		**4.0%**

NOTES:
CAGR – Compound Annual Growth Rate
FY – Fiscal Year
SOURCES: Woods & Poole Economics, Inc., April 2024 (socioeconomic projections); Ricondo & Associates, Inc., April 2024 (analysis).

Dedicated freighter cargo operations were forecast based on historical trends in cargo operations, as well as the forecast of dedicated freighter cargo volumes. Historically, dedicated freighter aircraft have carried an average cargo volume per operation ranging between 59,477 pounds per operation and 76,540 pounds per operation. This rate decreased during the historical period as additional all-cargo aircraft types began operating at the Airport, including narrowbody aircraft such as Boeing 757-200 aircraft operated by FedEx and UPS. Over the forecast period, it is assumed that narrowbody aircraft will continue to comprise a significant portion of the dedicated freighter fleet mix, though slight growth is assumed due to growth in cargo demand that can be accommodated on existing flights, similar to load factor assumptions made for passenger aircraft operations.

Historically, passenger airlines have carried between 1 and 2 pounds of belly cargo per seat. This includes both freight and mail volumes. During the historical period, the volume of mail carried per seat decreased as the larger economy digitized, replacing physical mail with electronic communication. Accordingly, mail volume per seat declined from 0.7 pounds per seat in FY 2014 to 0.2 pounds per seat in FY 2023, while freight volume per seat ranged between a minimum of 0.8 pounds per seat and a maximum of 1.1 pounds per seat. Passenger belly cargo volumes were forecast based on these volume-per-seat rates, with mail volume per seat assumed to remain constant at 0.2 pounds per seat, while freight volume per seat was forecast to trend toward the average observed during the historical period.

Table 5-17 presents historical and forecast passenger belly and dedicated freighter cargo volumes, along with dedicated freighter operations. Passenger belly cargo, dedicated all-cargo freighter, and total cargo tonnage are forecast to grow at 4.1 percent, 4.0 percent, and 4.0 percent CAGRs, respectively. Dedicated freighter cargo tonnage is forecast to grow at a slightly higher rate than dedicated freighter operations (4.0 percent and 2.7 percent, respectively) due to an assumed increase in cargo tonnage per operation, as described previously.

TABLE 5-17 CARGO VOLUME AND OPERATIONS FORECASTS

	CARGO TONNAGE				
FISCAL YEAR	PASSENGER BELLY	ALL-CARGO	TOTAL	TONS PER ALL-CARGO OPERATION	ALL-CARGO OPERATIONS
Historical					
2014	18,765	72,683	91,449	38	1,901
2015	20,370	76,846	97,216	38	2,046
2016	19,206	107,802	127,008	35	3,094
2017	21,945	125,666	147,611	29	4,292
2018	22,012	191,940	213,951	26	7,748
2019	20,510	212,357	232,867	23	9,474
2020	15,122	242,872	257,995	24	10,574
2021	15,484	212,626	228,110	26	8,400
2022	18,612	229,299	247,912	27	8,592
2023	14,303	180,811	195,114	30	6,166
Forecast					
2024	16,146	186,559	202,706	30	6,211
2025	16,608	194,996	211,604	30	6,428
2026	17,075	203,413	220,488	31	6,639
2027	17,548	211,876	229,423	31	6,847
2028	18,028	220,386	238,414	31	7,051
2029	18,515	228,961	247,476	32	7,253
2030	19,011	237,605	256,616	32	7,452
Compound Annual Growth Rate					
2014 – 2019	1.8%	23.9%	20.6%	-9.3%	37.9%
2014 – 2023	-3.0%	10.7%	8.8%	-2.8%	14.0%
2023 – 2030	4.1%	4.0%	4.0%	1.0%	2.7%

SOURCES: Hillsborough County Aviation Authority, April 2024 (historical cargo volume and operations data); Cirium Diio, April 2024 (US Department of Transportation, T-100; 2014 passenger belly and dedicated freighter distribution and historical operations data); Ricondo & Associates, Inc., April 2024 (forecast).

5.4.5 GENERAL AVIATION, OTHER AIR TAXI, AND MILITARY AIRCRAFT OPERATIONS FORECASTS

General aviation and other air taxi operations at the Airport were modeled to grow at the same rate as forecast by the FAA in its *2023 Terminal Area Forecast* (TAF). As a result, general aviation and other air taxi operations are forecast to grow from 48,712 in FY 2023 to 49,227 in FY 2030, a 0.2 percent CAGR. Military aircraft operations represent a relatively small component of traffic at the Airport. Military operations are highly dependent on the needs of the Department of Defense. Accordingly, it is assumed that military operations will remain constant throughout the Projection Period at 779 operations. **Table 5-18** presents historical and forecast general aviation and other air taxi operations, as well as military aircraft operations.

TABLE 5-18 GENERAL AVIATION, OTHER AIR TAXI, AND MILITARY AIRCRAFT OPERATIONS FORECASTS

FISCAL YEAR	GENERAL AVIATION AND OTHER AIR TAXI	MILITARY
Historical		
2014	28,286	486
2015	30,787	448
2016	31,807	467
2017	33,367	856
2018	32,628	490
2019	38,132	567
2020	34,711	636
2021	42,913	881
2022	48,450	697
2023	48,712	779
Forecast		
2024	48,786	779
2025	48,858	779
2026	48,932	779
2027	49,006	779
2028	49,079	779
2029	49,153	779
2030	49,227	779
Compound Annual Growth Rate		
2014 – 2019	3.1%	3.4%
2014 – 2023	6.2%	5.4%
2023 – 2030	0.2%	0.0%

SOURCES: US Department of Transportation, Federal Aviation Administration, Operations Network, April 2024 (historical general aviation and military operations data); US Department of Transportation, Federal Aviation Administration, *2023 Terminal Area Forecast*, April 2024 (general aviation operations forecast).

5.4.6 TOTAL AIRCRAFT OPERATIONS FORECAST SUMMARY

Table 5-19 presents historical and forecast aircraft operations at the Airport through FY 2030. Passenger aircraft operations are forecast to grow from 168,032 operations in FY 2023 to 201,031 operations in FY 2030, representing a 2.6 percent CAGR. Overall, total Airport operations are forecast to increase from 223,689 operations in FY 2023 to 258,489 operations in FY 2030, representing a 2.1 percent CAGR.

TABLE 5-19 AIRCRAFT OPERATIONS FORECASTS

FISCAL YEAR	PASSENGER AIRCRAFT	ALL-CARGO AIRCRAFT	GENERAL AVIATION AND OTHER AIR TAXI	MILITARY	TOTAL
Historical					
2014	150,221	1,901	28,286	486	180,894
2015	156,418	2,046	30,787	448	189,699
2016	153,848	3,094	31,807	467	189,216
2017	153,996	4,292	33,367	856	192,511
2018	163,236	7,748	32,628	490	204,102
2019	165,872	9,474	38,132	567	214,045
2020	120,646	10,574	34,711	636	166,567
2021	129,144	8,400	42,913	881	181,338
2022	156,566	8,592	48,450	697	214,305
2023	168,032	6,166	48,712	779	223,689
Forecast					
2024	187,025	6,211	48,786	779	242,801
2025	189,717	6,428	48,858	779	245,782
2026	192,256	6,639	48,932	779	248,605
2027	194,506	6,847	49,006	779	251,137
2028	196,855	7,051	49,079	779	253,764
2029	198,947	7,253	49,153	779	256,132
2030	201,031	7,452	49,227	779	258,489
Compound Annual Growth Rate					
2014 – 2019	2.0%	37.9%	6.2%	3.1%	3.4%
2014 – 2023	1.3%	14.0%	6.2%	5.4%	2.4%
2023 – 2030	2.6%	2.7%	0.2%	0.0%	2.1%

SOURCES: Hillsborough County Aviation Authority, April 2024 (historical operations data); Cirium Diio, April 2024 (US Department of Transportation, T-100; historical operations data); US Department of Transportation, Federal Aviation Administration, Operations Network, April 2024 (historical general aviation and military operations data); US Department of Transportation, Federal Aviation Administration, *2023 Terminal Area Forecast*, April 2024 (general aviation operations forecast); Ricondo & Associates, Inc., April 2024 (forecast).

5.4.7 LANDED WEIGHT FORECASTS

Table 5-20 presents historical and forecast landed weight at the Airport. As shown, total landed weight is forecast to increase to 16.7 million thousand-pound units by FY 2030, representing a 3.1 percent CAGR from FY 2023. The fleet mix analysis developed in conjunction with the forecast reflects anticipated increases in average aircraft size at the Airport as mainline passenger airlines increase their use of larger, higher capacity aircraft, commonly known as upgauging. Conversely, changes in cargo fleet mix are anticipated as UPS and FedEx replace older MD-10F and MD-11F aircraft with smaller Boeing 757-200F and Boeing 767-300F aircraft.

TABLE 5-20 LANDED WEIGHT FORECASTS

(Fiscal Years Ended September 30, in 1,000-Pound Units)

FISCAL YEAR	PASSENGER AIRLINES	ALL-CARGO AIRLINES	TOTAL
Historical			
2014	9,631,861	388,062	10,019,923
2015	10,091,915	391,858	10,483,773
2016	10,228,824	559,420	10,788,244
2017	10,319,523	711,085	11,030,608
2018	11,148,222	1,199,137	12,347,359
2019	11,753,848	1,375,957	13,129,806
2020	8,607,191	1,464,621	10,071,813
2021	9,142,338	1,294,083	10,436,421
2022	11,319,513	1,368,982	12,688,495
2023	12,447,741	991,101	13,438,843
Forecast			
2024	13,918,534	1,012,485	14,931,019
2025	14,182,764	1,047,793	15,230,558
2026	14,435,092	1,082,200	15,517,292
2027	14,691,744	1,116,062	15,807,806
2028	14,951,851	1,149,396	16,101,248
2029	15,213,015	1,182,295	16,395,311
2030	15,475,450	1,214,786	16,690,235
Compound Annual Growth Rate			
2014 – 2019	4.1%	28.8%	5.6%
2014 – 2023	2.9%	11.0%	3.3%
2023 – 2030	3.2%	2.9%	3.1%

SOURCES: Hillsborough County Aviation Authority, April 2024 (historical); Ricondo & Associates, Inc., April 2024 (forecast).

6. FINANCIAL ANALYSIS

6.1 FINANCIAL FRAMEWORK

This chapter presents the financial structure of the Airport; impacts of the Airport Capital Program and the issuance of the 2024 Bonds; projections of O&M Expenditures,[121] Non-Agreement Revenues,[122] airline rates and charges, and airline cost per enplaned passenger; and the projected application of Revenues and debt service coverage.

6.1.1 AUTHORITY ACCOUNTING

The Airport is owned by Hillsborough County and operated by the Authority. The Authority, an independent special district of the State of Florida with exclusive jurisdiction, control, supervision, and management over all publicly owned airports in Hillsborough County, maintains the financial records and accounts of the Airport in accordance with generally accepted accounting principles, and as required by the provisions of the Trust Agreement and the Subordinated Trust Agreement. Neither Hillsborough County nor State of Florida tax revenues are pledged to the payment of Net Debt Service or to fund the cost of operations at the Airport. The Authority's FY ends September 30.

Expenditures and revenues of the Authority are categorized into Cost and Revenue Centers or Cost Centers. Cost and Revenue Centers include those areas or functional activities of the Airport System used for the purposes of accounting for Revenues, O&M Expenditures, and Investment Service (defined in Section 6.7.2 and which generally includes debt service, debt service coverage, and amortization related to the recovery of capital investment of Authority funds).

Cost and Revenue Centers under the Rates Resolution (Airline Rates, Fees, and Charges Resolution) include the following:

- **Airfield**. This includes all Investment Service;[123] all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for the Airfield. The Airfield includes those portions of the Airport, excluding the terminal aircraft aprons and the cargo aircraft aprons, provided for the landing, taking off, and taxiing of aircraft, including, without limitation, approach and turning zones, clear zones, aviation or other easements, runways, a fully integrated taxiway system, runway and taxiway lights, and other aeronautical-related uses of the Airport.
- **Terminal Complex**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for the Main Terminal Building and all the Airside Buildings. Subsets of the Terminal Complex Cost and Revenue Center will consist of the Main Terminal Building and the Airside Buildings.

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[121] O&M Expenditures include all Operating Expenses, excluding any reimbursement or grants received from governmental entities to offset operating expenses, plus capital expenditures less than $100,000.

[122] Non-Agreement Revenues include rentals, fees, charges, and other income received by the Authority from all Airport System operations, including income from lessees, permittees, concessionaires, users, and patrons other than Operating Revenues generated by the Airlines pursuant to the Rates Resolution.

[123] Investment Service shall mean, with respect to any FY, the sum of (1) Debt Service (exclusive of capitalized interest) and Other Debt Service payable by the Authority in that FY for indebtedness incurred on Capital Projects completed prior to October 1, 2020; plus (2) Return on Authority Investment for expenditures incurred on Capital Projects completed prior to October 1, 2020; plus (3) the Annual Coverage Requirement related to the foregoing; less (4) a reduction for any interest earnings in the Debt Service Reserve Fund attributable to such Debt Service or Other Debt Service; less (5) a reduction for any interest earnings in the Redemption Account attributable to amounts transferred from the Surplus Fund. Investment Service will exclude any amounts funded by PFC or CFC collections.

- Main Terminal Building includes the passenger terminal building and the administration building.
- Airside Buildings includes the buildings at the Airport through which passenger aircraft are loaded or unloaded.

- **Commercial Landside**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for those areas on the Airport designated for public automobile parking, automobile rental agencies, taxi and limousine parking areas, the Airport hotel, and other nonaeronautical accommodations and services for the public. The SkyConnect serves the RCC and Economy Parking Garage and is included in the Commercial Landside Cost Center.
- **BHS**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for the common-use BHS for the Airport.
- **Passenger Transfer / Airside Shuttles**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for the PTS connecting the Main Terminal Building to the Airside Buildings. The PTS includes the passenger transfer equipment and facilities, including the stations located in the Main Terminal Building and the Airside Buildings.
- **Cargo**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for those areas of the Airport that are designated for the parking of cargo aircraft and support vehicles, as well as the loading and unloading of cargo aircraft at the Airport.
- **Auxiliary Airports**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for all airports operated by the Authority, other than TPA.
- **General Aviation**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for the general aviation facilities at the Airport.
- **Other**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for aviation support facilities, such as flight kitchens, maintenance hangars, GSE buildings, Atrium/SkyCenter, and reservation centers.
- **Land Bank**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for all land on the Airport that is not at the time useful for Airport purposes but is expected to be needed in the future for Airport purposes. When land in the Land Bank Cost Center becomes useful for Airport purposes other than a land bank, it will be transferred out of the Land Bank Cost and Revenue Center and into the appropriate Cost and Revenue Center.
- **Extraordinary Facilities**. This includes all Investment Service; all direct, indirect, and general administrative O&M Expenditures; and Operating Revenues for other facilities (e.g., airline club rooms).
- **Airline Terminal Support**. This includes all direct and indirect costs of those systems and technologies used primarily by air carriers, including, without limitation, flight information display systems (FIDSs), gate information display systems (GIDSs), and baggage information display systems (BIDSs) and the related information technology infrastructure.

Cost Centers include, but are not necessarily limited to, the following:

- **Roads and Grounds**. This includes all Investment Service and all direct, indirect, and general administrative O&M Expenditures for all public roads on the Airport and the landscaping and associated facilities. The Roads and Grounds Cost Center is currently being allocated to the Cost and Revenue Centers based on the following percentages:
  - 5 percent to the Airfield Cost and Revenue Center
  - 35 percent to the Main Terminal Building Cost and Revenue Center

- — 45 percent to the Commercial Landside Cost and Revenue Center
- — 5 percent to the Other Cost and Revenue Center
- — 5 percent to the Cargo Cost and Revenue Center
- — 5 percent to the General Aviation Cost and Revenue Center

- **Administrative**. This includes all Investment Service and all direct and indirect O&M Expenditures for all administrative functions of the Airport System. The Administrative Cost Center will be allocated to the Cost and Revenue Centers and Cost Centers based on their proportionate share of all other direct O&M Expenditures.

6.1.2 RATES BY RESOLUTION

Effective October 1, 2020, the Authority transitioned to a Rates Resolution rate-setting model that establishes the operational and financial requirements that airlines agree to follow when conducting air transportation business at the Airport.[124] The Rates Resolution is in accordance with the FAA Policy Regarding the Establishment of Airport Rates and Charges[125] and replaces the previous Airline Agreement, which expired on September 30, 2020.

The Rates Resolution incorporates the use of the Main Terminal Building; Airsides A, C, E, and F; future Airside D; and the airfield at the Airport. The Rates Resolution establishes a hybrid rate-making methodology, whereby the airlines pay the Authority fees and charges based on the Authority's cost of providing facilities and services, with a credit to the airfield requirement for non-airline airfield revenues. The Rates Resolution further defines the operational and financial relationship between the Authority and the airlines operating at the Airport.

The Rates Resolution establishes Cost and Revenue Centers that are defined as functional activities of the Airport System used for the purposes of accounting for Revenues, O&M Expenditures, and Investment Service. The costs allocated to the airlines include O&M Expenditures, debt service, debt service coverage of 25 percent, Trust Fund minimum deposit requirements, and a Return on Investment for Authority funds used for capital projects, less interest earnings on the debt service reserve.[126] Signatory Airlines are defined in the Rates Resolution as those that are party to an active Space Rental Agreement, which include American Airlines, Delta Air Lines, Frontier Airlines, JetBlue Airways, Southwest Airlines, Spirit Airlines, United Airlines, British Airways, Copa Airlines, Porter Airlines, Virgin Atlantic, WestJet Airlines, Breeze Airways, Air Canada, Alaska Airlines, Deutsche Lufthansa (Discover), and Silver Airways as of April 2024. In return for this financial commitment by the Signatory Airlines, the Rates Resolution provides for a 10 percent share of remaining Revenues derived from parking and concessions, after the payment of all costs that include a minimum $10 million contribution to unrestricted reserves. Non-Signatory Airlines do not provide guarantees of space, and therefore do not participate in revenue sharing. Therefore, the Authority charges two distinct rates to airlines operating at the Airport based on the cost of providing services for facilities used.

Under this Rates Resolution, airside rates are equalized (meaning all signatories pay the same rate regardless of the cost structure in the individual airsides). Rates for the Main Terminal Building and Airside Buildings are calculated by using their total respective rentable square feet as the divisor. Common-use space rental in the Main Terminal Building is determined by (1) dividing the cost of the common-use space by the total number of enplaned passengers to determine the average joint use per passenger fee; (2) a 5 percent premium is applied to the average

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[124] The Hillsborough County Aviation Authority Board adopted a Rates Resolution on September 3, 2020, which became effective as of October 1, 2020.

[125] US Department of Transportation, Federal Aviation Administration, "Policy Regarding Airport Rates and Charges," *Federal Register*, https://www.govinfo.gov/content/pkg/FR-2013-09-10/pdf/2013-21905.pdf (assessed October 25, 2021).

[126] As defined in the Rates Resolution, Authority funds do not include the following: Bond proceeds; proceeds from insurance resulting from casualty damage to or destruction of improvements on the Airport System; federal or state grant funds; and PFCs.

joint use per passenger fee and then multiplied by the number of Non-Signatory enplaned passengers; and (3) the remaining joint-use costs are then billed to each airline based on its proportionate share of enplaned passengers.

Annual airline rates and charges are initially calculated based on the annual budget and reviewed and adjusted, if necessary, throughout each FY to ensure sufficient Revenues are generated to satisfy all requirements of the Trust Agreement. At the end of each FY, the Authority will recalculate rates and charges based on audited financial data to determine any over/under payment situations that need to be rectified (year-end true up). The Resolution requires that the over/under payments be settled with the airlines at the close of each FY.

While there are multiple rate-setting methodologies that would allow the Authority to complete the long-term Capital Program necessary to meet future demand at the Airport, the Authority is obligated, pursuant to the Trust Agreement, to set airline rates and charges at a level sufficient to pay the net cost of operating, maintaining, and developing the Airport, including the satisfaction of debt service coverage, fund deposit, and payment requirements of the Trust Agreement. Projections of O&M Expenditures, Non-Agreement Revenues, and Net Debt Service assumed in the financial analysis in this Report were developed independently, and material changes to these projections resulting from changes in the airline rate-setting methodology at the Airport are not anticipated.

6.2 COVID-19 PANDEMIC MITIGATION

The Authority took steps to mitigate the financial impact caused by the significant decrease in passenger activity at the Airport starting in March 2020 due to the COVID-19 pandemic. Mitigation efforts by the Authority included deferred maintenance, hiring freezes, voluntary separation incentive program, temporary closures of underutilized facilities, and deferred capital projects. In addition, the near-term actions in FYs 2020, 2021, 2022, and 2023 included allocation of CARES Act funds, CRRSAA funds, and ARPA funds, together referred to as COVID-19 relief funding. The Authority applied CARES Act relief funding to offset Commercial Landside O&M Expenditures in FY 2020 and FY 2021 in the amount of $81.2 million, as well as used CRRSAA relief funding in the amount of $18.2 million in FY 2021. Further use of CRRSAA relief funding included $59,000 in FY 2022 and $1.8 million for rent relief to in-terminal concessionaires at the Airport in FY 2023. Approximately $40.2 million of ARPA relief funds were used in FY 2022, with an additional $33.1 million used in FY 2023, which included $3.3 million for in-terminal concessionaire rent relief. No COVID-19 relief funds are budgeted to be used in FY 2024, nor are any relief funds projected to be used in subsequent years in this Report.

Table 6-1 presents the application of the Airport's COVID-19 relief funding. As an offset of O&M Expenditures, COVID-19 relief funding is not classified as Gross Revenues.

TABLE 6-1 COVID-19 RELIEF FUNDS

COVID-19 RELIEF FUNDS	USE OF FUNDS	FY 2020	FY 2021	FY 2022	FY 2023	TOTAL
CARES Act Relief Funds	O&M Offset	$60,592	$20,606	$0	$0	$81,198
CRRSAA Relief Funds	O&M Offset	$0	$18,210	$59	$1,813	$20,082
ARPA Relief Funds	O&M Offset	$0	$0	$40,150	$33,085	$73,235
Total (thousands)		**$60,592**	**$38,816**	**$40,209**	**$34,898**	**$174,515**

NOTES:
ARPA – American Rescue Plan Act of 2021
CARES – Coronavirus Aid, Relief, and Economic Security
CRRSAA – Coronavirus Response and Relief Supplemental Appropriations Act
FY – Fiscal Year
O&M – Operation and Maintenance
Dollars in thousands for fiscal years ended September 30.
SOURCE: Hillsborough County Aviation Authority, *Financial Statements, Other Financial Information and Compliance Reports*, years ended September 30, 2021, 2022, and 2023).

6.3 INFRASTRUCTURE INVESTMENT AND JOBS ACT FUNDING

As described in Section 3.4.5, the Authority anticipates receiving approximately $112.7 million in IIJA funding through 2026, the final year of program funding. The Authority receives annual entitlement allocations of Airport Infrastructure Grant (AIG) funding through the IIJA program, including approximately $21.7 million per year for TPA and approximately $880,000 per year for the Authority's general aviation airports.

Table 6-2 presents the estimated annual IIJA entitlement allocations and projected use of these funds. Funding is allocated annually and the FAA has or will obligate the allocated funds under grants as applied for by the Authority. AIG funds must be obligated under grant by September 30 of the third year following the year that funds are made available.

TABLE 6-2 INFRASTRUCTURE INVESTMENT AND JOBS ACT FUNDING

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	TOTAL
Actual/Projected Entitlement Allocation						
Tampa International Airport (Primary)	$21,711	$21,550	$21,723	$21,723	$21,723	$108,429
General Aviation Airports (Non-Primary)	$749	$876	$882	$882	$882	$4,271
Total (thousands)	**$22,460**	**$22,426**	**$22,605**	**$22,605**	**$22,605**	**$112,700**
Primary Funds to be Obligated Under Grant						
North Remain Overnight Parking	$8,048	$0	$0	$0	$0	$8,048
Wildlife Project	$0	$0	$0	$13,663	$0	$13,663
Airside D Apron and Hydrant Fueling System	$13,663	$21,550	$21,723	$8,060	$21,723	$86,718
Total Primary (thousands)	**$21,711**	**$21,550**	**$21,723**	**$21,723**	**$21,723**	**$108,429**
Non-Primary Funds to be Obligated Under Grant						
Tampa Executive Airport Apron	$0	$0	$1,172	$0	$0	$1,172
Remaining Cumulative Allocation	$0	$0	$1,335	$882	$882	$3,099
Total Non-Primary (thousands)	$0	$0	**$2,507**	**$882**	**$882**	**$4,271**
Total Primary + Non-Primary (thousands)	**$21,711**	**$21,550**	**$24,230**	**$22,605**	**$22,605**	**$112,700**

NOTE:
Dollars in thousands for fiscal years ended September 30.
SOURCE: Hillsborough County Aviation Authority, June 2024.

6.4 OPERATION AND MAINTENANCE EXPENDITURES

O&M Expenditures for the Airport are budgeted by department and cost center. O&M Expenditures for each of these areas are summarized into one of the following categories: personnel; contracted services; maintenance; utilities; and supplies, insurance, and other. These expenditures are the basis for rate-setting purposes.

6.4.1 HISTORICAL OPERATION AND MAINTENANCE EXPENDITURES

Table 6-3 presents the historical O&M Expenditures and the resulting O&M Expenditures per Enplaned Passenger.

TABLE 6-3 HISTORICAL OPERATION AND MAINTENANCE EXPENDITURES – FISCAL YEAR 2019 THROUGH FISCAL YEAR 2023

(Fiscal Years Ending September 30)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	COMPOUND ANNUAL GROWTH RATE
Total O&M Expenditures (thousands)	$146,816	$140,295	$134,874	$155,786	$174,838	4.5%
O&M Expenditures Growth Rate		-4.4%	-3.9%	15.5%	12.2%	
Enplaned Passengers (thousands)	11,085	6,681	7,717	10,689	11,561	1.1%
Enplaned Passengers Growth Rate		-39.7%	15.5%	38.5%	8.2%	
Total O&M Expenditures per Enplaned Passenger	$13.24	$21.00	$17.48	$14.57	$15.12	3.4%

NOTES:
FY – Fiscal Year
O&M – Operation and Maintenance (O&M) Expenditures are shown before the application of COVID-19 relief funds.
SOURCE: Hillsborough County Aviation Authority, April 2024.

The Authority's O&M Expenditures for the Airport increased from approximately $146.8 million in FY 2019 to approximately $174.8 million in FY 2023, reflecting a CAGR of 4.5 percent over the past 5 years. Increases in O&M Expenditures since FY 2019 have been primarily attributable to growth in personnel expenses as additional positions have been filled and growth in contract services expenditures, related in part to the Terminal Expansion and Concessions Program. O&M Expenditures per enplaned passenger have increased at a CAGR of 3.4 percent from FY 2019 through FY 2023, which includes the reduction in enplaned passengers associated with the COVID-19 pandemic in FY 2020 and FY 2021.

6.4.2 BUDGETED AND PROJECTED OPERATION AND MAINTENANCE EXPENDITURES

The Authority sets a budget for airline rates and charges annually using the rate-setting methodology set forth in the Resolution, as described in Section 6.1.2. As shown in Table A-1 of **Appendix A** of this Report, FY 2024 budgeted total O&M Expenditures are approximately $193.7 million, representing an increase of $18.9 million, or 10.8 percent, over actual FY 2023 O&M Expenditures.

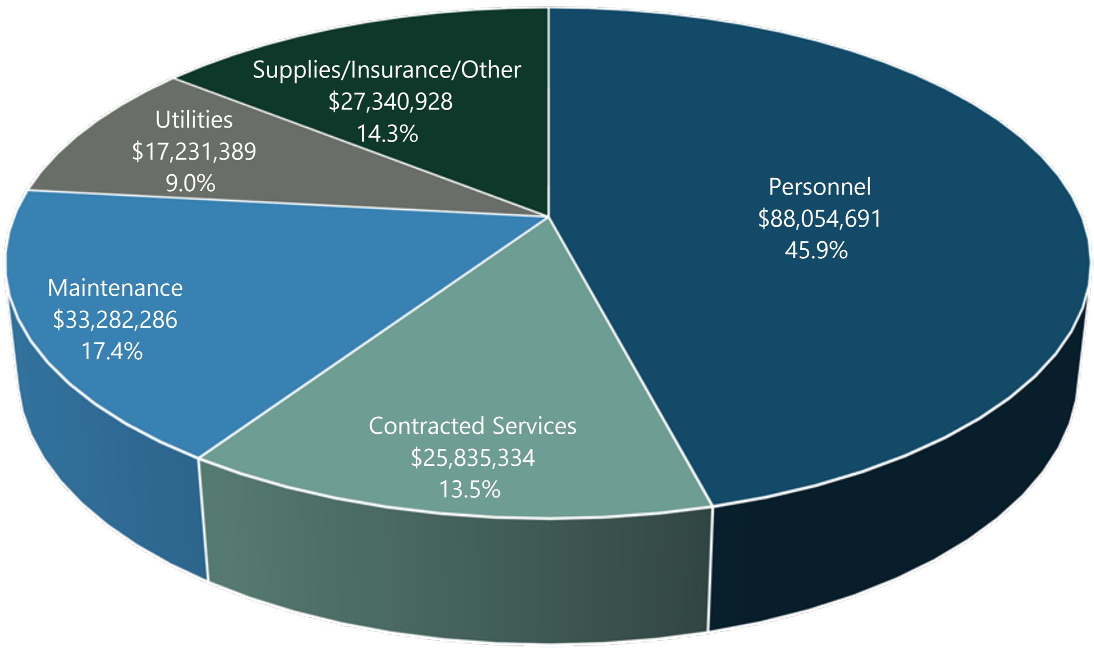
Exhibit 6-1 presents the FY 2024 budgeted O&M Expenditures by cost category.

The Airport's FY 2024 airline rates and charges budget served as the base from which O&M Expenditures were projected.

The completion of certain projects included in the Airport Capital Program is expected to result in incremental increases and decreases to O&M Expenditures. For purposes of this analysis, O&M Expenditures are assumed to increase or decrease on a square-foot basis for capital projects resulting in changes to Airport square footages. In the aggregate, this analysis assumes approximately $19.4 million of additional O&M Expenditures in FY 2028 due to implementation of Airside D.

O&M Expenditures are classified into the categories described in the following subsections.

EXHIBIT 6-1 FISCAL YEAR 2024 BUDGETED OPERATION AND MAINTENANCE EXPENDITURES BY COST CATEGORY



NOTE:
Excludes Transportation Security Administration reimbursement, equipment, and renewal and replacement.
SOURCE: Hillsborough County Aviation Authority, April 2024.

6.4.2.1 PERSONNEL

Personnel expenditures include Airport staff compensation and benefits. Expenditures for salaries, wages, and employee benefits, which account for 45.9 percent of total O&M Expenditures budgeted in FY 2024, are projected to increase at a CAGR of 6.7 percent through FY 2030. Assumed annual growth of 5.5 percent is attributable primarily to annual salary increases, escalating insurance premiums, and other benefit increases. An additional $4.1 million in personnel expenses in FY 2028 is assumed to account for increased expenses associated with the opening of Airside D.

6.4.2.2 CONTRACTED SERVICES

Contracted services expenditures include outside legal and Airport consulting services, as well as aircraft rescue and firefighting and public and employee parking services. Contracted services account for 13.5 percent of the total operating expenditures budgeted in FY 2024 and are projected to increase at a CAGR of 5.7 percent through the Projection Period.

6.4.2.3 MAINTENANCE

Maintenance expenditures include janitorial and trash removal services, as well as maintenance expenditures associated with elevators and escalators, shuttles, monorail system, and other building maintenance. Maintenance expenditures on SkyConnect are also included. These expenditures account for 17.4 percent of total FY 2024 budgeted O&M Expenditures and are projected to increase at a CAGR of 9.5 percent through the Projection Period. This includes a 5.5 percent annual increase, and an $8.3 million increase in FY 2028 to account for increased expenses associated with the opening of Airside D.

6.4.2.4 UTILITIES

Utilities expenditures include telephone, electricity, water and sewer, and natural gas expenditures. Utilities expenditures account for 9.0 percent of total FY 2024 budgeted O&M Expenditures and are projected to increase at a CAGR of 8.1 percent through the Projection Period. This includes a 5.5 percent annual increase, and a $4.5 million increase in FY 2028 to account for increased expenses associated with the opening of Airside D.

6.4.2.5 SUPPLIES, INSURANCE, AND OTHER

Supplies, Insurance, and Other expenditures at the Airport consist of various maintenance materials and supplies, costs associated with various insurances needed for the Airport and its personnel, and other miscellaneous operating expenditures incurred by the Authority. These expenditures account for 14.3 percent of total FY 2024 budgeted O&M Expenditures and are projected to increase at a CAGR of 5.3 percent through the Projection Period. This includes a 5.5 percent annual increase, and a $2.5 million increase in FY 2028 to account for increased expenses associated with the opening of Airside D.

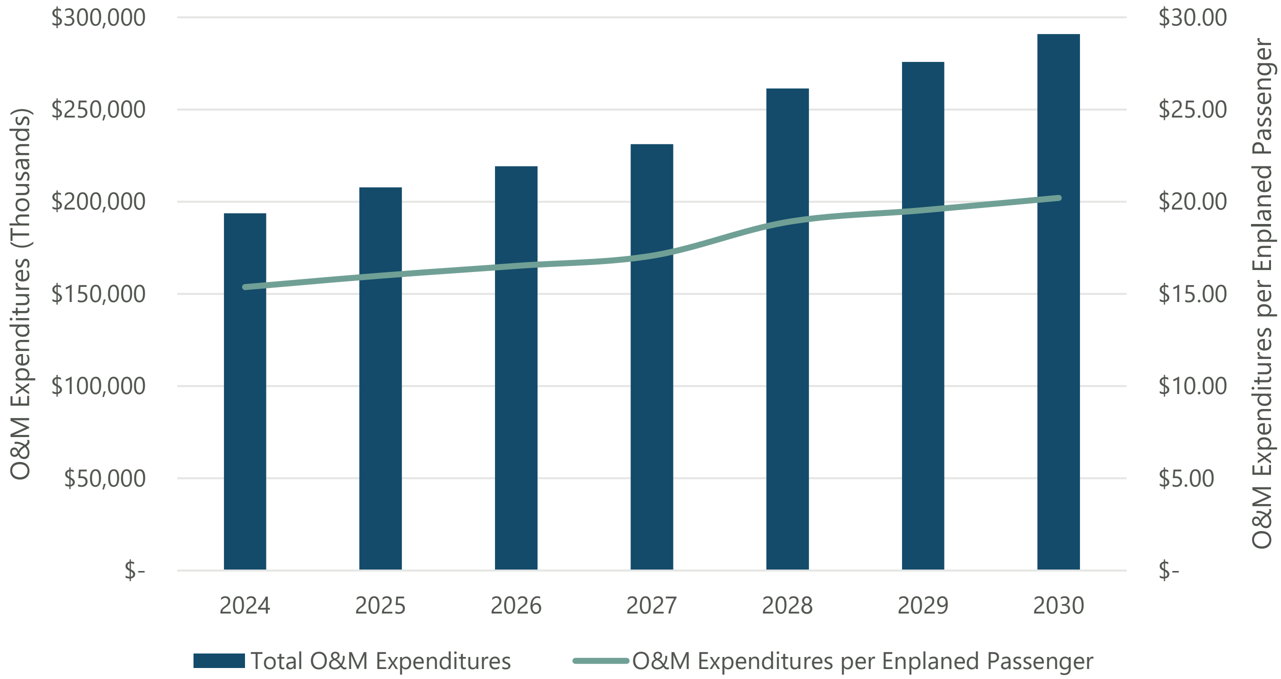
6.4.2.6 TRANSPORTATION SECURITY ADMINISTRATION REIMBURSED OPERATION AND MAINTENANCE EXPENDITURES

The TSA has provided various relief mechanisms to assist the sponsors of US airports in the payment of added security costs. The Authority has received grants to offset certain security expenditures, and all grants received from the TSA are used to offset operating expenditures. The projected TSA grants presented in Table A-1 reflect an anticipated reimbursement of approximately $502,000 budgeted in FY 2024, which is projected to increase at 5.5 percent annually through the Projection Period.

6.4.2.7 OPERATION AND MAINTENANCE EXPENDITURES PROJECTIONS

Exhibit 6-2 presents the projected O&M Expenditures. Total O&M Expenditures are projected to increase from $193.7 million in FY 2024 to approximately $290.7 million in FY 2030, reflecting a CAGR of 7.0 percent. See Table A-1 in Appendix A of this Report for additional information regarding projected O&M Expenditures.

EXHIBIT 6-2 PROJECTED OPERATING AND MAINTENANCE EXPENDITURES



NOTE:
O&M – Operation and Maintenance
SOURCES: Hillsborough County Aviation Authority, April 2024; Ricondo & Associates, Inc., July 2024.

6.5 NON-AGREEMENT REVENUES

Non-Agreement Revenues include all revenues generated for the Airport except for those revenues generated from Signatory Airlines, pursuant to the Rates Resolution and the Space Rental Agreements.

Table 6-4 presents historical Non-Agreement Revenues, enplaned passengers, and calculated Non-Agreement Revenues per enplaned passenger from FY 2019 through FY 2023. As shown, Non-Agreement Revenues, excluding passenger airline revenues and interest income, were approximately $180.6 million in FY 2019 and increased to approximately $227.2 million in FY 2023.

As shown in Table 6-3, total Non-Agreement Revenues per enplaned passenger increased at a CAGR of 4.8 percent, from $16.29 per enplaned passenger in FY 2019 to $19.66 per enplaned passenger in FY 2023.

TABLE 6-4 HISTORICAL NON-AGREEMENT REVENUES (EXCLUDING INTEREST INCOME) – FISCAL YEAR 2019 THROUGH FISCAL YEAR 2023

(Fiscal Years Ending September 30)

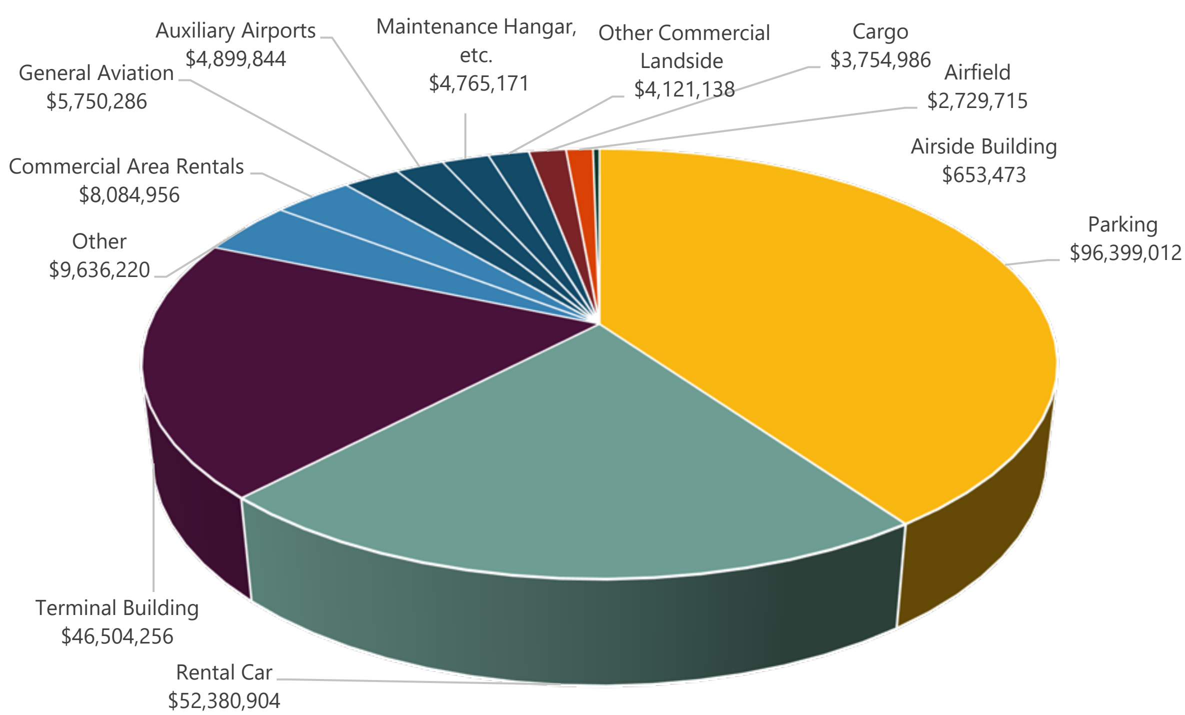
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	COMPOUND ANNUAL GROWTH RATE
Total Non-Agreement Revenues (thousands)	$180,592	$122,735	$137,713	$204,845	$227,232	5.9%
Non-Agreement Revenues Growth Rate		-32.0%	12.2%	48.8%	10.9%	
Enplaned Passengers (thousands)	11,085	6,681	7,799	10,689	11,561	1.1%
Enplaned Passengers Growth Rate	5.4%	-39.7%	16.7%	38.5%	8.2%	
Total Non-Agreement Revenues per Enplaned Passenger	$16.29	$18.37	$17.66	$19.16	$19.66	4.8%

NOTES:
FY – Fiscal Year
Excludes passenger airline revenues and interest income.
SOURCE: Hillsborough County Aviation Authority, April 2024.

6.5.1 BUDGETED NON-AGREEMENT REVENUES AND GROWTH ASSUMPTIONS

Exhibit 6-3 presents the breakdown of budgeted FY 2024 Non-Agreement Revenues, totaling approximately $239.7 million (excluding interest income). The FY 2024 approved budget for the Airport served as the base from which Non-Agreement Revenues were projected.

EXHIBIT 6-3 FISCAL YEAR 2024 BUDGETED NON-AGREEMENT REVENUES BY COST CENTER



NOTE:
Other revenues include Non-Signatory baggage handling system revenues.
SOURCE: Hillsborough County Aviation Authority, April 2024.

Non-Agreement Revenues by type are discussed in the following subsections.

6.5.2 AIRFIELD

Airfield Non-Agreement Revenues, which include Non-Signatory Landing Fees, fuel flowage fees, and rentals, are budgeted to be approximately $2.7 million in FY 2024. Airfield Non-Agreement Revenues are projected to increase at a CAGR of 2.6 percent during the Projection Period. Other airfield concessions are projected to increase at a CAGR of 2.2 percent during the Projection Period, with an additional $480,000 added every year.

6.5.3 TERMINAL COMPLEX

Revenues for the Terminal Complex are further differentiated into Terminal and Airside categories, as described in the following subsections.

6.5.3.1 TERMINAL

Revenues include space rentals for rentals by car rental companies, general merchandise and food and beverage counters, traveler's aid, and duty free. Revenues also include all food and beverage and general merchandise revenues, duty-free concessions, all advertising concessions, and other miscellaneous concession revenues in the Terminal Complex.

The Authority entered into lease and concession agreements for the operation of food and beverage services for the right to provide food and beverage service at the Airport under six concessions packages. The agreements were executed in 2015, and the term of each contract is 10 years from the date the last concession location in each of the awarded packages opens for business, provided the same have been extended for two years each. Under these concession agreements, the concessionaires pay the Authority fair market rental for the space occupied, as well as a concession services fee and a promotions fee to cover operating and marketing expenditures. In addition, the concessionaires pay the Authority a privilege fee, representing the difference between the rental and the greater of a guaranteed minimum annual privilege fee, or a percentage privilege fee of Gross Revenues, plus a percentage of profits in excess of a base amount.

The Authority also entered into concessionaire agreements for the right to operate retail merchandise concessions, except for duty free. Under the terms of the retail agreements, concessionaires pay the Authority the fair market rental value for the space occupied by the retail shops and a minimum annual privilege fee computed as the greater of a percentage of the prior year's gross revenue or a percentage of the prior year's enplaned passengers. In addition, concessionaires pay a concession services fee and a promotions fee to cover operating and marketing expenditures.

Food and beverage and retail merchandise revenues in FY 2023 were $21.0 million and are budgeted to be $22.7 million in FY 2024 and are projected to increase at a CAGR of 2.8 percent through the Projection Period. Miscellaneous and other concessions include revenues from sales of assets, warehouse storage rentals, and other miscellaneous revenues; per-trip fees for off-Airport hotel and off-Airport rental cars; ATM concessions; luggage carts; Frontier Florida; Distributed Antenna System (DAS); and reimbursements from the TSA for certain expenditures in the Terminal Cost Center. Revenues from these revenue sources were $2.7 million in FY 2023 and are budgeted to be approximately $2.4 million in FY 2024 and are projected to increase at a CAGR of 2.4 percent through the Projection Period.

6.5.3.2 AIRSIDE

Airside Revenues include hardstands; Authority-controlled gates; Federal Inspection Services (FIS) fees; other rentals; miscellaneous revenues; and reimbursements from the TSA for certain expenditures in the Airside Cost Center. Non-Agreement Revenues in the Airside Cost Center were $0.7 million in FY 2023 and are budgeted to total approximately $0.7 million in FY 2024 and are projected to increase at a CAGR of 2.2 percent through the Projection Period.

6.5.4 COMMERCIAL LANDSIDE

Revenues for the Commercial Landside include hotel, car rentals, ground transportation, and automobile parking revenues. Total revenues in the Commercial Landside Cost Center are budgeted to be approximately $160.2 million in FY 2024 and are projected to increase at a CAGR of 5.2 percent through the Projection Period.

6.5.4.1 HOTEL

The Authority entered into an agreement for a hotel-office complex at the Airport, with Host Boston, for the land underlying the hotel. The agreement is for the construction, operation, and maintenance of a hotel and office complex. The hotel is branded as a Marriott. This agreement became effective April 29, 1969, and is scheduled to terminate December 1, 2043. The lease includes a specified minimum capital improvement cost. The original lease was for 20 years with two 10-year renewal options. An amendment to the lease extended the termination date to December 1, 2043. In exchange for the extended term, Host Boston agreed to increase the Authority's percentage of revenues, as well as agreed to complete over $13 million in improvements to the hotel complex.

The hotel agreement provides that Host Boston pays to the Authority a specified minimum privilege fee of $1.5 million annually, plus a percentage of gross receipts and a profit-sharing component. The percentage of gross receipts is calculated by formula and is dependent upon the type of services being provided. It is applicable when and if the percentage exceeds the minimum privilege fee.

The Authority received $2.4 million in revenue from the hotel lease in FY 2023. In total, hotel revenues for FY 2024 are budgeted to be approximately $2.5 million and are projected to increase at a CAGR of 2.8 percent through the Projection Period.

6.5.4.2 COMPRESSED NATURAL GAS FUEL STATION

In March 2011, the Authority entered into a contract with Clean Energy CA Corp. to develop, construct, and operate a compressed natural gas fuel station on the Authority’s property. The contract term is 20 years, which started on March 3, 2011.

6.5.4.3 CAR RENTALS

On-Airport Car Rental

The Authority opened the RCC south of the Main Terminal Building, accessible via SkyConnect, in February 2018. The Authority has agreements for car rental concessions (Current On-Airport Rental Car Agreements) with the following companies: Hertz Corporation (includes DTG Operations), Avis Rent-A-Car System, Inc., Enterprise Leasing Company of Florida, LLC, and prior off-Airport rental car brands ACE Rent A Car, Advantage Rent a Car, All-Car Leasing, Executive Rent A Car, FOX Rent A Car, Payless Car Rental, Sixt Rent a Car, and Zipcar. The Authority commenced On-Airport Rental Car Agreements in 2018 upon the opening of the RCC, which continue for a 30-year term expiring in FY 2044. The Authority has retained the option to renegotiate terms of the initial rental car agreement every 10 years.

Under the rental car concessionaire agreement, rental car companies will pay the Authority a privilege fee each FY as consideration for the privilege of concession rights at the Airport. The privilege fee, which consists of a minimum annual privilege fee and a percentage fee, is not considered rent and is included as Revenues for the Senior Lien Bonds and the Subordinated Lien Bonds. The percentage fee is an amount equal to 10 percent of its gross receipts but paid only to the extent that such amount exceeds each rental car company's minimum annual privilege fee for that FY. If the percentage fee is an amount less than the minimum annual privilege fee, no percentage fee will be payable.

Rental car revenues also include a component of CFCs paid to the Authority for (a) prior rental car capital projects, amortized throughout the Projection Period (Garage Recovery Adjustment). CFCs paid to the Authority for the Garage Recovery Adjustment are estimated to total approximately $4.0 million in FY 2024 and remain at $4.0 million throughout the remainder of the Projection Period. Rental car revenues also include a component of CFCs paid to the Authority for (b) Revenue Recovery to offset land rents and counter rental rents lost due to rental car companies moving to the RCC, assumed to be approximately $2.0 million annually. The Airport received $40.9 million in CFCs in FY 2023, which are budgeted in FY 2024 to be approximately $45.3 million and are projected to increase at a CAGR of 2.0 percent during the Projection Period, attributable to growth in rental car concessions offset by the reduction of CFC-funded amortization.

As defined in the Trust Agreement, CFCs are not considered Gross Revenues, except for CFCs that are voluntarily deposited by the Authority into the Revenue Fund under the terms of the indenture under which the CFC Bonds were issued. As a result, of the $4.0 million in CFCs budgeted for FY 2024, $2.0 million in CFCs, associated with the Garage Recovery Adjustment, are included as Gross Revenues.

Off-Airport Car Rental

On October 1, 2020, the Authority entered into an Off-Airport Rental Car Airport Use and permit agreement with each rental car company located off the Airport that picks up customers at the Airport; the agreements will expire on September 30, 2026. Currently, there are three off-Airport brands providing service to the Airport: Via Car Rental, Carl's Van Rentals, and Easirent. The Off-Airport Agreement requires the companies operating thereunder to pay the Authority 9 percent of gross receipts, plus a per-trip fee for every time a vehicle enters the Airport; these revenues are not considered Gross Revenues under the Trust Agreement. The Authority received $588,297 in revenues from Off-Airport Agreements and $160,572 from TFCs in FY 2023.

6.5.4.4 PARKING

The Authority entered into a management contract for its public parking facilities with ABM Aviation Services to operate all the parking facilities at the Airport. The management contract is set to expire on June 30, 2025. Upon its expiration, it is assumed that the contract would be renewed with substantially similar terms and conditions. The Authority annually reviews and approves the parking facilities operating budget. The operator assumes responsibility for the parking facilities and submits a daily accounting to the Authority. The current daily parking drive-up rates at TPA are $24.00 for the Short-Term Garage, $20.00 for the Long-Term Garage, and $14.00 for the Economy Garage. The Authority received $91.4 million in parking revenues in FY 2023, which are budgeted to be $96.4 million in FY 2024 and are projected to increase at a CAGR of 7.1 percent during the Projection Period.

6.5.4.5 GROUND TRANSPORTATION

Ground Transportation revenues include per-trip fees from charter buses, resort limousines, off-Airport parking operators, and taxi cabs, as well as ride-share operations from transportation network companies (TNCs), such as

Uber, Lyft, and Turo. Uber and Lyft are charged a $5 dollar per-trip fee, and no increases to this fee are assumed throughout the Projection Period for the purpose of this analysis.

The Authority entered into a Use and Permit Agreement for Peer-to-Peer Vehicle Sharing with Turo, Inc., on May 6, 2021. Turo is charged a percentage (6.5 percent) of gross receipts, as well as a monthly rent for the use of five parking spaces in the economy parking garage. Ground Transportation revenues were $8.1 million in FY 2023 and are budgeted to be $8.9 million in FY 2024 and are projected to increase at a CAGR of 3.2 percent during the Projection Period.

6.5.4.6 OFFICE BUILDING

The Authority offices were relocated to the SkyCenter One building in spring 2022. Initially, the Authority received ground rent for the building, and the Authority also leased the building from the developer. In FY 2023, the Authority purchased the SkyCenter One building from the developer at a cost of $123.5 million, at which time the Authority began receiving building tenant revenue that more than offset the annual operating expenditures for the building. These additional Net Revenues of approximately $7.7 million annually are incorporated into the Non-Agreement Revenues shown in Table A-2 beginning in FY 2025.

6.5.5 CARGO

Cargo revenues, which include revenues from the Cargo Complex, Cargo Ramp, and a TSA reimbursement, were $3.8 million in FY 2023 and are budgeted to be approximately $3.8 million in FY 2024. Cargo revenues are projected to decrease at a CAGR of 3.4 percent during the Projection Period.

6.5.6 GENERAL AVIATION AND AUXILIARY AIRPORTS

As described in Chapter 2 of this Report, the Authority has two General Aviation FBO facilities at the Airport. There are also FBOs operating at each of the Authority's other airports, including Atlas Aviation Tampa, Inc., at Peter O. Knight Airport and Plant City Airport, as well as Skyport Aviation at Tampa Executive Airport. General Aviation and Auxiliary Airport revenues were $10.0 million in FY 2023 and are budgeted in FY 2024 to be approximately $10.7 million and are projected to increase at a CAGR of 3.0 percent during the Projection Period.

6.5.7 OTHER

Total Other Non-Agreement Revenues were $18.3 million in FY 2023; they are budgeted to be $22.5 million in FY 2024, projected to remain essentially flat during the Projection Period, and include revenues from the following facilities:

- **Building Rentals**. Several buildings on Airport property are rented by a variety of tenants, including the following: CSX Real Property, City of Tampa Police, Tampa Electric, Tampa Westshore Associated LTD Partnership, Moffitt Cancer Center, Tampa J Automotive, Tampa Sports Authority, Buccaneers Limited Partnership, Tampa Airport Pipeline Co., Private Aviation Group Hangar, JetICU, Debartolo Aviation, United Airlines, and CAE.
- **Maintenance Hangars/Facilities**. This refers to rental revenues from the lease of the Authority's maintenance facilities, described in Chapter 2 of this Report.
- **Flight Kitchen**. This refers to revenues generated from LSG/Sky Chefs and Gate Gourmet, which provide the flight kitchen concession for the Airport.

6.5.8 NON-AGREEMENT REVENUE IMPACTS FROM CAPITAL PROJECTS

The Airport Capital Program is designed to enable additional capacity at the Airport, with certain projections of Non-Agreement Revenues based on growth of enplaned passengers realized in part due to the projects completed.

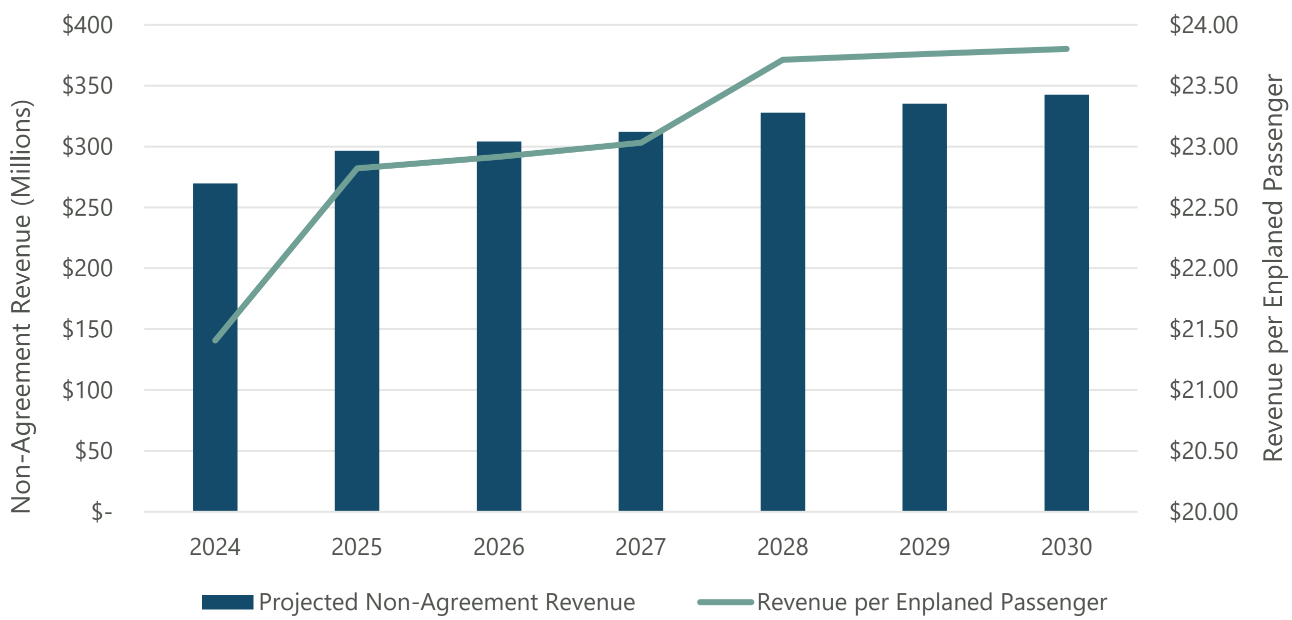
For example, the construction of Airside D will enable additional capacity at the Airport and will allow Non-Agreement Revenues, such as concessions, to continue to increase throughout the Projection Period in line with enplaned passenger growth. Any additional incremental increases to Non-Agreement Revenues beyond the growth described in prior sections are not included in this analysis; however, any such incremental increases, if they materialize, would only serve to improve the Authority's financial position, increasing Non-Agreement Revenues and Debt Service Coverage.

6.5.9 PROJECTED NON-AGREEMENT REVENUES

Exhibit 6-4 shows the projected Non-Agreement Revenues. Non-Agreement Revenues, including interest income, are projected to increase from approximately $269.8 million in FY 2024 to approximately $342.7 million in FY 2030, reflecting a CAGR of 4.1 percent. Growth in Non-Agreement Revenues results from forecast increases in aviation activity, as well as inflationary factors, assumed in this Report to be 2.2 percent.

Additional information regarding Non-Agreement Revenues projected for FY 2024 through FY 2030, by cost center, is presented in Table A-2.

EXHIBIT 6-4 PROJECTED NON-AGREEMENT REVENUES



SOURCES: Hillsborough County Aviation Authority, April 2024; Ricondo & Associates, Inc., July 2024.

6.6 CUSTOMER FACILITY CHARGE AND TRANSPORTATION FACILITY CHARGE REVENUE

The Authority adopted a resolution in 2011 imposing the collection of a CFC and TFC to cover the costs associated with certain rental car–related capital projects. The current CFC collection level is $5.95 per rental car transaction day, and the current TFC level, assessed to off-Airport rental car operators for drop-offs and pick-ups at the RCC, is $2.00 per rental car transaction day. CFC Revenue Bonds were issued in 2015 to fund the RCC, as well as 40 percent of the net Airport cost of the SkyConnect. CFC Bonds are standalone bonds and are not reflected in this analysis, and CFC Revenues, with the exception of CFC Revenues paid to the Authority for prior rental car projects and annual Revenue Recovery to offset land rents and counter rental rents lost due to the opening of the RCC,[127] were not included in the coverage tables included in this Report, as those CFCs are not pledged toward the GARB credit and neither CFCs nor TFCs will be included as "Revenues" for either the Senior Lien Bonds or the Subordinated Lien Bonds.

6.7 PASSENGER FACILITY CHARGE REVENUE

The Authority is currently collecting a $4.50 PFC per passenger and has received authority from the FAA through 11 PFC Applications to impose and use a total of approximately $1.7 billion in PFC Revenues for capital projects and associated financing costs. The most recent PFC application, PFC #12, was approved by the FAA on April 5, 2024, and was approved for new PFC impose and use authority of approximately $388.4 million at a $4.50 collection rate.

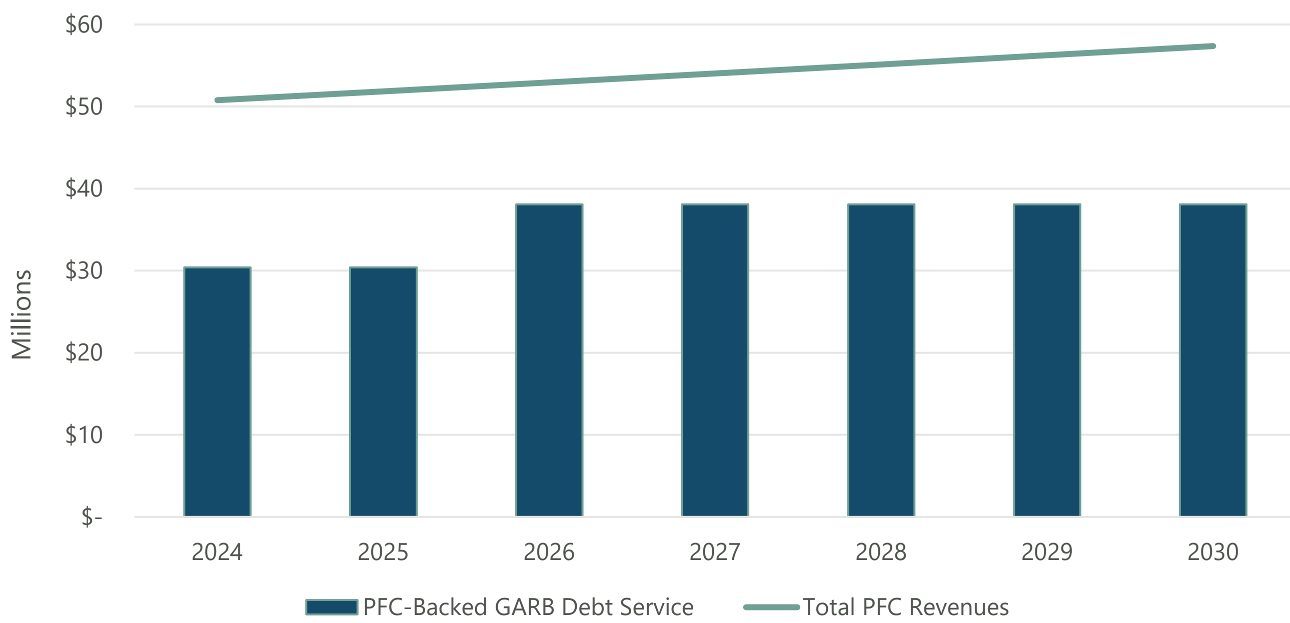
As of March 31, 2024, the Authority has received $936.2 million in PFCs, and expenditures for projects approved in the PFC Applications total approximately $1.2 billion. Expenditures in excess of collections are funded from the issuance of PFC-supported Revenue Bonds and bank notes, or from Authority funds that will be reimbursed from PFCs. PFCs are available only to fund PFC-approved projects on a pay-go basis or to pay debt service on PFC Bonds, as described in the Senior Trust Agreement and the Subordinated Trust Agreement.

Table A-3 in Appendix A presents the projected annual PFC revenue capacity based on existing FAA approvals, forecast enplaned passengers, an assumed PFC level of $4.50 per enplaned passenger through the end of the Projection Period, and an assumed PFC collection eligibility of 89 percent of enplaned passengers.

Projected PFC Revenues, as shown on **Exhibit 6-5**, are expected to be sufficient to cover all Subordinated Lien debt service that finances PFC projects and PFCs assumed to be applied to Senior Lien debt service on a non-pledged basis at the current PFC collection level.

[127] As described in the Trust Agreement, Gross Revenues do not include CFCs, CFC Contingent Fee Payments, or TFCs, with the exception of amounts that the Authority voluntarily deposits into the Revenue Fund in applicable FYs under the terms of the indenture under which the standalone CFC Bonds were issued.

EXHIBIT 6-5 PROJECTED PASSENGER FACILITY CHARGE REVENUE



NOTES:
GARB – General Airport Revenue Bond
PFC – Passenger Facility Charge
SOURCES: Hillsborough County Aviation Authority, June, 2024; Ricondo & Associates, Inc., June 2024.

6.8 DEBT SERVICE

6.8.1 EXISTING DEBT SERVICE, DEBT SERVICE ON SERIES 2024 BONDS, FUTURE BONDS, AND OTHER DEBT SERVICE

Table A-4 in Appendix A presents the details of the Authority's outstanding debt service, as well as the debt service on the 2024 Bonds, anticipated future bonds, and projected Other Debt Service[128] for FY 2024 through FY 2030.

6.8.1.1 OUTSTANDING GENERAL AIRPORT REVENUE BOND DEBT SERVICE

Debt service on existing Senior Lien Bonds totals approximately $61.7 million in FY 2024 and is anticipated to decrease to approximately $53.0 million in FY 2030.

Debt service on existing Subordinated Lien Bonds totals approximately $30.4 million in FY 2024 and is anticipated to remain at this level through FY 2030. Debt service on Subordinated Lien Bonds is anticipated to be paid with PFC Revenues.

[128] Other Debt Service is defined as any principal, interest, premium, and other fees and amounts, either paid or accrued, on Other Indebtedness of the Authority. Other Indebtedness is defined as any debt incurred by the Authority for Airport System purposes that is outstanding and not authenticated and delivered under and pursuant to the Trust Agreement or the Subordinated Trust Agreement.

6.8.1.2 DEBT SERVICE ON THE 2024 BONDS

Proceeds from the Senior 2024 Bonds will be used to fund the 2024 Projects, as described in Chapter 3 of this Report. The 2024 Projects total approximately $1.8 billion, of which approximately $425.0 million will be funded with proceeds from the 2024 Bonds and associated interest earnings.

The Senior 2024 Bonds are assumed to have a term of 30 years. For the purposes of this Report, interest on the 2024 Bonds is assumed at the current market interest rate as of June 18, 2024, plus 50 basis points.

A portion of debt service on the 2024 Bonds is anticipated to become payable on October 1, 2025. Debt service on the 2024 Bonds is assumed to increase from approximately $0.8 million in FY 2025 to approximately $37.9 million in FY 2030. A portion of the debt service will be recovered from the airlines through the airline rates and charges each year.

6.8.1.3 DEBT SERVICE ON FUTURE BONDS

For financial projection purposes, future projects and projects included in the Airport's FY 2025 through FY 2030 CIP are expected to be funded in part with Senior Lien Bonds and Subordinated Lien Bonds, as described in Chapter 3 of this Report. As shown in **Table 6-5**, such additional bonds include the Senior 2026, 2028, and 2030 Bonds and the Subordinated 2026 PFC Bonds and are assumed to be issued in the years and amounts listed in the table.

TABLE 6-5 ASSUMED FUTURE BOND ISSUANCES

FUTURE BOND ISSUANCES	BOND PAR
Senior 2026 Bonds	$1.3 billion
Subordinate 2026 Bonds (PFC)	$138.1 million
Senior 2028 Bonds	$315.4 million
Senior 2030 Bonds	$479.5 million

SOURCES: Hillsborough County Aviation Authority and Frasca & Associates, LLC, July 2024.

For the purpose of this analysis, debt service associated with the Senior 2026, 2028, and 2030 Bonds and the Subordinated 2026 PFC Bonds was estimated using a 6.04 percent interest rate and a 30-year term. The Senior 2026, 2028, and 2030 Bonds debt service includes a capitalized interest period of 2 years.

Additional debt service on the Senior 2026 and 2028 Bonds associated with future projects is assumed to be paid with Net Revenues in the amount of approximately $116.5 million in FY 2030. The estimated debt service on such assumed future bond issues is included in Table A-4 in Appendix A.

Debt service on the assumed 2026 PFC Bonds is estimated to be approximately $8.3 million annually beginning in FY 2027 and is anticipated to remain flat throughout the Projection Period.

The Authority also currently anticipates issuing approximately $479.5 million in Senior Bonds proceeds in 2030, which was not included in this analysis. [129]

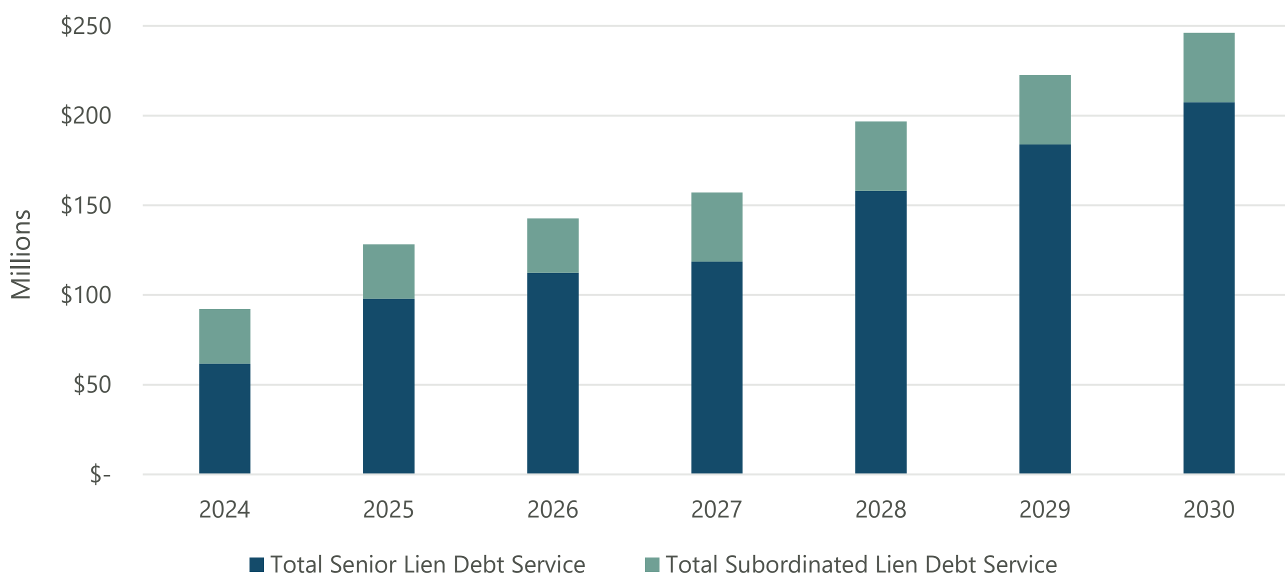
[129] Although approximately $479.5 million of future bonds are anticipated to be issued in 2030 (within the Projection Period of this Report), debt service associated with these bonds is assumed to start after FY 2030 (subsequent to the Projection Period of this Report) and is therefore not included in the financial analysis presented in this Report.

6.8.1.4 PROJECTED NET DEBT SERVICE

The Authority's total debt service (including debt service on existing bonds, projected debt service on the 2024 Bonds and future bonds, and the projected Other Debt Service) is projected to be approximately $92.9 million in FY 2024 and is projected to increase throughout the Projection Period to $246.1 million in FY 2030.[130]

Exhibit 6-6 presents the Projected Net Debt Service at the Airport during the Projection Period.

EXHIBIT 6-6 PROJECTED NET DEBT SERVICE



NOTE:
Net of capitalized interest.
SOURCES: Hillsborough County Aviation Authority and Frasca & Associates, LLC, July 2024.

6.8.2 INVESTMENT SERVICE

Investment Service with respect to any FY comprises the sum of (1) debt service (exclusive of capitalized interest) and Other Debt Service payable by the Authority (not from bond proceeds) on bonds in that FY prior to October 1, 2020; plus (2) a Return on Authority Investment made by the Authority prior to October 1, 2020, with its own funds (Authority funds) for new capital improvements or additions on the Airport System equal to the total of the annual amortization of the amount of each item of Recognized Net Investment over 25 years in equal amounts of principal plus interest, with interest computed at the Authority's True Interest Cost on the declining principal balance (Return on Authority Investment); plus (3) 25 percent of the debt service payable on Revenue Bonds in that FY (Coverage).

The Authority's True Interest Cost for investments made prior to October 1, 2020, will be equal to the index as of September 30 of the previous FY provided by the Bond Buyer's 25 Bond Revenue Index. Investment Service will be reduced by the amount of any interest earnings on the Debt Service Reserve Fund.

The total Investment Service for the Authority in each FY, as previously calculated, shall be allocated to the Cost

[130] Total debt service does not include annual debt service of approximately $26.6 million of Series 2015 CFC Bond Debt Service paid with CFC revenues.

Centers and Cost and Revenue Centers in proportion to the Recognized Net Investment at the end of the FY in each Cost Center and Cost and Revenue Center.

Recognized Net Investment is equal to the Authority's cost of an improvement, or an acquisition made on or for the Airport System (including without limitation the cost of construction, testing, architects' and engineers' fees, consultants' fees, construction management fees, surveyance by the Authority engineer, condemnation, and brokers' fees), reduced by the amount of any federal or state grant or PFCs received by the Authority. Table A-5 in Appendix A presents budgeted and projected Investment Service for FY 2024 through FY 2030.

6.9 AIRLINE REVENUES

Rates will be calculated for five areas at the Airport: Airfield Cost and Revenue Center, Main Terminal Building, BHS, Airside Buildings, and PTS. The resulting revenues will be collectively known as Airline Revenues.

The items included in the total requirement for the landing fee, Main Terminal Building rental rate, Airline Support fee, BHS fee, Airside Buildings rental rate, and PTS fee are as follows:

- **O&M Expenditures**. This includes the O&M Expenditures (direct and allocated indirect) attributable to the specific rate-setting area.
- **O&M Reserve Requirement**. This includes amounts needed to maintain the Trust Agreement's O&M Reserve Requirement within the specific rate-setting area.
- **Investment Service**. This includes the portion of Investment Service, as defined previously, allocated to the specific rate-setting area.
- **Debt Service**. This includes the portion of debt service allocated to the specific rate-setting area, including the Annual Coverage Requirement and less any interest earnings on the Debt Service Reserve Fund.
- **Return on Authority Investment**. This includes the annual amortization allocated to the specific rate-setting area for capital improvements or acquisitions funded by the Authority subsequent to October 1, 2020. The annual amortization is calculated using a recovery period equivalent to the reasonably estimated useful life of the improvement or acquisition.

The following subsections present the details for each specific rate calculation.

6.9.1 AIRFIELD

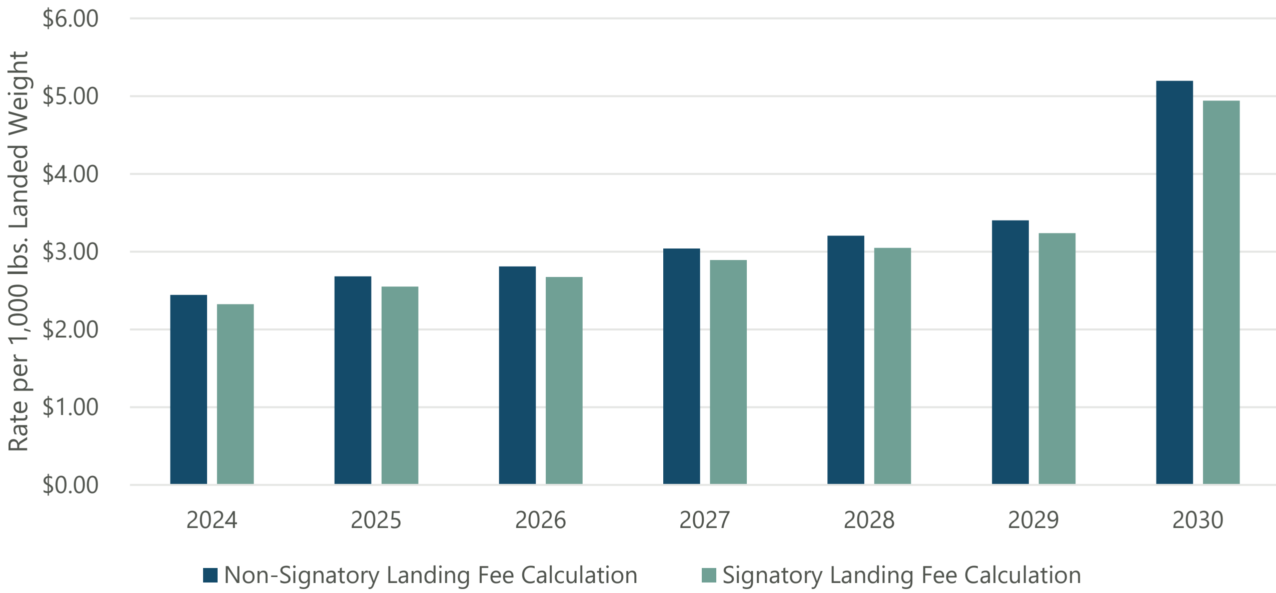
Landing Fees

A residual landing fee calculation is presented in Table A-7 in Appendix A. The landing fee is calculated pursuant to the Resolution by combining the items previously described for the Airfield Cost and Revenue Center to determine the total Airfield requirement. The total requirement is reduced by fuel flowage fees to calculate the net requirement, which is divided by total landed weight to yield a net landing fee requirement. The Non-Signatory Landing Fee is calculated as 1.05 times the net landing fee. The Signatory Landing Fee is calculated as the net landing fee requirement less the Non-Signatory Landing Fees divided by the Signatory Landing Weight. The Total Landing Fee revenue is equal to the sum of the Non-Signatory revenues and Signatory revenues.

As presented in Table A-7, the Signatory Landing Fee is projected to increase from $2.33 per thousand pounds landed weight in the FY 2024 Budget to $4.94 per thousand pounds of landed weight in FY 2030.

Exhibit 6-7 presents the Projected Landing Fees at the Airport during the Projection Period.

EXHIBIT 6-7 PROJECTED LANDING FEES



SOURCES: Hillsborough County Aviation Authority, July 2024; Ricondo & Associates, Inc., July 2024.

6.9.2 TERMINAL COMPLEX

Four different types of rates are calculated within the Terminal Complex Cost and Revenue Center: Main Terminal Building rental rates, BHS Fees, Airside Buildings rental rates, and PTS fees. The total requirement in each respective area comprises the sum of the previously described components allocated to the appropriate rate-setting area.

6.9.2.1 MAIN TERMINAL BUILDING RENTAL RATE

A compensatory rental rate calculation for Main Terminal Building rental rates is presented in Table A-8 in Appendix A. The net requirement for the Main Terminal Building is equal to the sum of the previously described components for the Main Terminal Building subset of the Terminal Complex Cost and Revenue Center. A Signatory Main Terminal Building Rental Rate is derived by dividing the net requirement by the rentable square feet in the Main Terminal Building. The Non-Signatory rate is 1.05 times the Signatory rate.

As presented in Table A-8, the Signatory Main Terminal Building Rental Rate is projected to increase from $263.04 in the FY 2024 Budget to $403.57 in FY 2030. The increase can be primarily attributed to incremental O&M Expenditures and debt service associated with terminal capital projects, as well as inflationary impacts of O&M Expenditures.

6.9.2.2 BAGGAGE HANDLING SYSTEM FEE

The net requirement for the BHS is equal to the sum of the previously described components for the BHS Cost Center. A full cost recovery methodology is applied to the BHS requirement by calculating a net fee that is equal to the total BHS requirement divided by the number of annual enplaned passengers. In a similar manner as the landing fee calculation, Non-Signatory Airlines are charged 1.05 times the net rate for use of the BHS, while the Signatory

Airlines are charged the remaining portion of the requirement (total requirement less the Non-Signatory requirement).

As presented in Table A-9, the BHS fee is projected to increase from $0.54 in the FY 2024 Budget to $2.69 in FY 2030.

6.9.2.3 AIRSIDE BUILDING RENTAL RATE

A compensatory rental rate calculation for all Airside Buildings is presented in Table A-10 in Appendix A. The net requirement for the Airside Buildings is equal to the sum of the previously described components for the Airside Buildings subset of the Terminal Complex Cost and Revenue Center. The Signatory Airside Building rental rate is derived by dividing the net requirement by the rentable square feet in the Airside Buildings.

As presented in Table A-10, the Signatory Airside Buildings Rental Rate is projected to increase from $117.64 per square foot in the FY 2024 Budget to $240.02 per square foot in FY 2030. The increase can be primarily attributed to the additional debt service and O&M Expenditures associated with the opening of Airside D in FY 2028, as well as the implementation of other capital projects and the inflationary impacts of O&M Expenditures. For this analysis, it was assumed that approximately 26 percent of the Airside D ramp level and holdroom space would be leased by Signatory Airlines, while 50 percent of the Airside D lounge room space would be leased by Signatory Airlines.

Exhibit 6-8 presents the projected terminal rental rates in the Terminal Building and the Airside Buildings during the Projection Period.

EXHIBIT 6-8 PROJECTED TERMINAL RENTAL RATES

NOTE:
PTS – Passenger Transfer System
SOURCES: Hillsborough County Aviation Authority, July 2024; Ricondo & Associates, Inc., July 2024.

6.9.2.4 PASSENGER TRANSFER SYSTEM FEE

The net requirement for the PTS is equal to the sum of the previously described components for the PTS Cost Center. Approximately 97.2 percent of the costs are recovered from the airlines, reflecting the estimated ridership percentage of 97.2 percent. A cost recovery methodology is applied to the PTS requirement by calculating a net fee that is equal to the total PTS requirement multiplied by 97.2 percent and divided by the number of annual enplaned passengers. In a similar manner as the landing fee calculation, Non-Signatory Airlines are charged 1.05 times the net rate for use of the PTS, while the Signatory Airlines are charged the remaining portion of the requirement (total requirement less the Non-Signatory requirement).

As presented in Table A-11, the Signatory PTS Fee is projected to increase from $1.24 in the FY 2024 Estimate to $2.03 in FY 2030.

6.9.3 PASSENGER AIRLINE REVENUES VERSUS OTHER AIRPORT REVENUES

Passenger airline revenues include Airline Revenues plus extraordinary service charges for Airline club room upgrades, Authority club room rental revenues, hardstand revenues, Authority gate rental revenue, Authority ticket counter revenue, and FIS revenues.

6.9.4 AIRLINE COST PER ENPLANED PASSENGER

Table A-12 in Appendix A presents the calculation of airline cost per enplaned passenger from the passenger airline revenues projected for FY 2024 through FY 2030.

As shown, the cost per enplaned passenger is projected to increase from $10.35 in the FY 2024 Budget to $21.44 in FY 2030, primarily due to the funding of and expenditure and revenue impacts associated with the Capital Program and inflationary increases in O&M Expenditures.

Exhibit 6-9 presents the projected airline cost per enplaned passenger at the Airport.

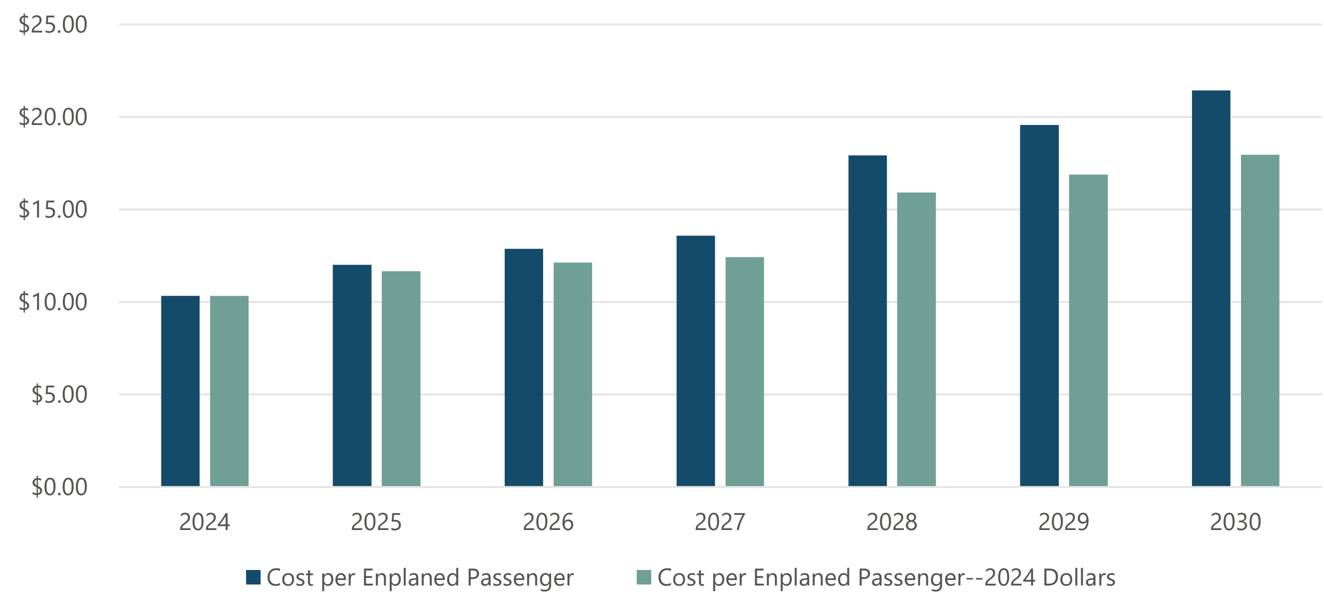
The projected airline cost per enplaned passenger was evaluated in this analysis to be comparable to other large-hub airports based on the expectation that these fees will not deter forecast demand for air traffic at the Airport as airlines continue to deploy capacity to airports based on available resources. The projected Airport user fees in this analysis are deemed to be reasonable based on the following combination of factors:

- **Large population and strong economic base**. The Airport primarily serves the four-county Tampa MSA,[131] which has a total population of approximately 3.3 million residents. Tampa–St. Petersburg–Clearwater is one of the fastest-growing metro areas in the United States, as the population increased at a CAGR of 1.1 percent from 2022 through 2030.[132] Population growth in the Air Trade Area over the past 10 years has been significantly faster than the population growth experienced by the United States. The Air Trade Area is expected to grow on pace with Florida throughout the Projection Period. There is typically a positive correlation between population growth in a local area and air travel demand.

[131] The four counties included in the Tampa MSA are Hernando, Hillsborough, Pasco, and Pinellas.

[132] Woods & Poole Economics, Inc., *2023 Complete Economic and Demographic Data Source (CEDDS)*, June 2023.

EXHIBIT 6-9 PROJECTED AIRLINE COST PER ENPLANED PASSENGER



SOURCES: Hillsborough County Aviation Authority, July 2024; Ricondo & Associates, Inc., July 2024.

- **Attractive geographical location**. The travel and tourism industry is one of the largest service categories in the Air Trade Area, which, on average, receives 361 days of sunshine each year.[133] The growth of this industry is a significant driver of services-related employment and air travel demand at the Airport. According to the report *The Tampa Visitor Economy 2022*, the number of visitors to Hillsborough County was approximately 27 million in CY 2022, and those visitors spent approximately $5.4 billion on tourism. This total economic impact generated 57,571 jobs and produced $514.0 million in state and local tax revenues in 2022.[134] Tourism to Hillsborough County is primarily attributable to its beaches and warm climate.
- **Need for capital projects that enable growth.** Airport user fees during the Projection Period are calculated to recover debt service and operating costs partially attributable to significant capital projects designed to provide capacity at the Airport, which supports the ability for airlines to increase service. Although the funding of these projects is anticipated to result in increased Airport user fees, these projects support the forecast long-term growth at the Airport.

In summary, airline cost per enplaned passenger, although increasing over the Projection Period, is one of many factors that are considered by airlines when evaluating air service. Airport rates and fees were approximately 6.7 percent of system-wide total airline operating costs according to the airline industry group Airlines for America,[135] and they represent one of many factors airlines consider when allocating capacity resources. Projected growth of

[133] Pinellas County, "Facts About Pinellas County," http://www.pinellascounty.org/facts.htm (accessed April 24, 2024).

[134] Tourism Economics, *The Tampa Visitor Economy 2022*, https://assets.simpleviewinc.com/simpleview/image/upload/v1/clients/tampabay/Hillsborough_County_Economic_Impact_2022_07b76c87-1e10-4abf-a260-663fc7dacb46.pdf (accessed April 24, 2024).

[135] According to data collected by Airlines for America in December 2023, 2.0 percent of passenger airline operating expenses went to landing fees and 4.9 percent went to non-aircraft rents and ownership.

population and economic base, along with the geographical location, support the reasonableness of projected Airport user fees.

6.10 PROJECTION OF FINANCIAL PERFORMANCE AND DEBT SERVICE COVERAGE

Table A-13 in Appendix A presents cash flow for the Airport for FY 2024 through FY 2030. Included in this cash flow are Airline Revenues, Non-Agreement Revenues, Investment Earnings, O&M Expenditures and Reserve Requirement, and Debt Service. Also presented in this table are the Debt Service Coverage ratios as required by the Trust Agreement.

The Additional Bond Test required by the Trust Agreement states the following:

> Revenues to be derived from the Airport System during the FY in which such Additional Bonds are issued and for each FY thereafter through the Period of Review…taking into account, among other factors, increases in rates, fees, rentals and charges, shall not be less than the sum of (i) all amounts required to be deposited into the Operation and Maintenance Fund and the Reserve Fund, including in each case all accounts therein, and any funds required to be set aside for the payment of subordinated indebtedness during the Period of Review, plus (ii) 125 percent of the Bond Service Requirement in each such corresponding FY during the Period of Review on account of the Bonds of each Series then outstanding (including the Additional Bonds proposed to be issued but excluding those outstanding Bonds to be defeased by the issuance of such Additional Bonds).[136]

The Senior Lien debt service coverage ratio ranges from 1.78x to 3.37x through the Projection Period.

The Additional Bond Test required by the Subordinated Trust Agreement states the following:

> Pledged Revenues during the Bond Year in which such Additional Bonds are issued and for each Bond Year thereafter through the Period of Review, taking into account, among other factors, increases in rates, fees, rentals and charges, shall not be less than 125 percent of the Bond Service Requirement in each such corresponding Bond Year during the Period of Review, on account of the Included Bonds; (ii) the Subordinated Revenues during the Bond Year in which such Additional Bonds are issued and for each Bond Year thereafter through the Period of Review, taking into account, among other factors, increases in rates, fees, rentals and charges, shall not be less than 125 percent of the Bond Service Requirement in each such corresponding Bond Year during the Period of Review, on account of the Included Bonds (or portions thereof as determined by the Authority) for which the annual debt service is not eligible to be paid from Subordinated PFC Revenues; and (iii) Pledged Revenues in each corresponding Bond Year during the Period of Review, taking into account, among other factors, increases in rates, fees, rentals and charges, shall not be less 115 percent of the Bond Service Requirement (as defined in the Senior Trust Agreement with respect to the Senior Lien Bonds) in each such corresponding Bond Year during the Period of Review, on account of all Senior Lien Bonds outstanding under the Senior Trust Agreement and on the Included Bonds.

[136] In connection with the issuance of the Senior 2024 Bonds as Additional Bonds, the Airport Consultant will provide a statement required by this subparagraph (y), and for purposes of this test, Available PFC Revenues will not be included. See Section 1.1.3.3.

Subordinated Lien debt service coverage ranges from 5.38x to 6.80x through the Projection Period. Aggregate debt service coverage ranges from 1.74x to 2.83x through the Projection Period.

Table A-13 in Appendix A presents the disposition of cash flow for FY 2024 through FY 2030 into the appropriate funds as described in the Trust Agreement. Table A-14 presents the Application of Revenues for FY 2024 through FY 2030 and includes the projected balance of the revenue fund, debt service, and surplus fund through the Projection Period.

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APPENDIX A

Financial Projection Tables

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TABLE A-1 O&M EXPENSES, EXPENDITURES AND RESERVE REQUIREMENT [1,2]
(For Fiscal Years Ending September 30)

	ACTUAL	BUDGET	PROJECTED						CAGR
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	(2024B- 2030)
Net Operating Expenditures									
Airfield	$21,443,189	$23,975,345	$25,796,559	$27,339,574	$28,843,251	$29,591,971	$31,219,529	$32,936,603	5.4%
Terminal Building	$41,029,741	$45,459,489	$50,672,402	$53,320,860	$56,253,507	$57,724,780	$60,899,643	$64,249,123	5.9%
Airside Buildings	$38,017,945	$42,593,175	$45,373,743	$48,126,305	$50,773,252	$76,106,059	$80,291,892	$84,707,946	12.1%
Commercial Landside	$51,280,815	$56,479,166	$59,456,138	$62,504,783	$65,942,546	$67,668,050	$71,389,792	$75,316,231	4.9%
Baggage Handling System	$5,780,017	$6,252,332	$5,831,814	$6,183,932	$6,524,049	$6,694,777	$7,062,990	$7,451,454	3.0%
Cargo	$1,735,901	$1,936,993	$2,234,361	$2,309,157	$2,436,161	$2,499,894	$2,637,388	$2,782,445	6.2%
Auxiliary Airports	$2,563,822	$2,550,420	$3,570,603	$3,743,040	$3,948,907	$4,040,852	$4,263,099	$4,497,569	9.9%
General Aviation	$2,534,088	$2,730,806	$3,251,667	$3,387,819	$3,574,149	$3,667,667	$3,869,389	$4,082,205	6.9%
Other	$1,487,517	$2,035,625	$2,014,777	$2,076,247	$2,190,440	$2,247,748	$2,371,374	$2,501,800	3.5%
Land Bank	$362,303	$229,799	$457,236	$484,929	$511,600	$524,982	$553,856	$584,318	16.8%
Passenger Transfer / Airside Shuttles	$7,236,679	$7,879,916	$8,218,153	$8,714,541	$9,193,841	$9,434,422	$9,953,315	$10,500,748	4.9%
Total Net Operating Expenditures	**$173,472,017**	**$192,123,066**	**$206,877,454**	**$218,191,187**	**$230,191,703**	**$260,201,201**	**$274,512,267**	**$289,610,442**	**7.1%**
TSA Reimbursed O&M Expenses	$637,798	$502,062	$393,664	$415,315	$438,158	$462,256	$487,681	$514,503	0.4%
Total Operating Expenditures	**$174,109,815**	**$192,625,128**	**$207,271,118**	**$218,606,503**	**$230,629,860**	**$260,663,458**	**$274,999,948**	**$290,124,945**	**7.1%**
Net Operating Expenditures [3,4]									
Airfield	$21,670,800	$24,134,345	$25,884,359	$27,539,530	$29,054,204	$29,814,526	$31,454,325	$33,184,313	5.5%
Terminal Building	$41,060,826	$45,473,489	$50,672,402	$53,348,168	$56,282,317	$57,755,174	$60,931,709	$64,282,953	5.9%
Airside Buildings	$38,052,814	$42,969,075	$45,373,743	$48,156,937	$50,805,569	$76,140,153	$80,327,861	$84,745,894	12.0%
Commercial Landside	$51,286,537	$56,580,166	$59,456,138	$62,509,810	$65,947,849	$67,673,645	$71,395,695	$75,322,458	4.9%
Baggage Handling System	$5,780,017	$6,252,332	$5,831,814	$6,183,932	$6,524,049	$6,694,777	$7,062,990	$7,451,454	3.0%
Cargo	$1,736,610	$1,936,993	$2,234,361	$2,309,780	$2,436,818	$2,500,588	$2,638,120	$2,783,216	6.2%
Auxiliary Airports	$2,990,239	$3,020,420	$4,028,003	$4,117,645	$4,344,116	$4,457,797	$4,702,976	$4,961,640	8.6%
General Aviation	$2,534,614	$2,730,806	$3,251,667	$3,388,281	$3,574,636	$3,668,181	$3,869,931	$4,082,777	6.9%
Other	$1,488,043	$2,035,625	$2,014,777	$2,076,709	$2,190,928	$2,248,262	$2,371,917	$2,502,372	3.5%
Land Bank	$362,532	$229,799	$457,236	$485,130	$511,812	$525,206	$554,092	$584,567	16.8%
Passenger Transfer / Airside Shuttles	$7,237,176	$7,879,916	$8,218,153	$8,714,978	$9,194,301	$9,434,908	$9,953,828	$10,501,288	4.9%
Total Net Operating Expenditures	**$174,200,208**	**$193,242,966**	**$207,422,654**	**$218,830,900**	**$230,866,599**	**$260,913,217**	**$275,263,444**	**$290,402,933**	**7.0%**
TSA Reimbursed O&M Expenses	$637,798	$502,062	$393,664	$415,315	$438,158	$462,256	$487,681	$514,503	0.4%
Total Operating Expenditures	**$174,838,006**	**$193,745,028**	**$207,816,318**	**$219,246,215**	**$231,304,757**	**$261,375,474**	**$275,751,125**	**$290,917,436**	**7.0%**
O&M Reserve Requirement									
Airfield	$210,370	$263,260	$291,669	$275,862	$252,446	$126,720	$273,300	$288,331	1.5%
Terminal Building	$428,437	$849,067	$866,486	$445,961	$489,025	$245,476	$529,422	$558,541	-6.7%
Airside Buildings	$909,720	$738,886	$400,778	$463,866	$441,439	$4,222,431	$697,951	$736,339	-0.1%
Commercial Landside	$890,537	$655,366	$479,329	$508,945	$573,007	$287,633	$620,342	$654,461	0.0%
Baggage Handling System	$88,119	($145,697)	($70,086)	$58,686	$56,686	$28,455	$61,369	$64,744	12.6%
Cargo	$20,462	$40,979	$49,561	$12,570	$21,173	$10,628	$22,922	$24,183	-8.4%
Auxiliary Airports	($10,370)	$91,139	$167,931	$14,940	$37,745	$18,947	$40,863	$43,111	-11.7%
General Aviation	$38,512	$25,051	$86,810	$22,769	$31,059	$15,591	$33,625	$35,474	6.0%
Other	$29,601	$77,918	($3,475)	$10,322	$19,036	$9,556	$20,609	$21,743	-19.2%
Passenger Transfer / Airside Shuttles	$118,241	$175,959	$56,373	$82,804	$79,887	$40,101	$86,487	$91,243	-10.4%
Land Bank	$12,925	($25,077)	$37,906	$4,649	$4,447	$2,232	$4,814	$5,079	23.4%
Total O&M Reserve Requirement	**$2,736,554**	**$2,746,851**	**$2,363,281**	**$1,901,374**	**$2,005,950**	**$5,007,770**	**$2,391,704**	**$2,523,248**	**-1.4%**

NOTES:

1 Includes O&M Impacts of future capital projects and does not include O&M expenses paid with CFC Revenues and/or expenses paid directly by the RACs.

2 O&M expenditures shown are before the application of COVID relief funding.

3 Net of TSA reimbursement for certain annual expenses.

4 Operating Expenditures includes Equipment and Renewal and Replacement.

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-2 (1 OF 2) NON-AIRLINE REVENUES

(For Fiscal Years Ending September 30)

	ACTUAL	BUDGET	PROJECTED						CAGR
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	(2024B- 2030)
Airfield									
Other Airfield Concessions	$3,594,504	$2,704,636	$2,774,698	$2,846,302	$2,919,480	$2,994,269	$3,070,703	$3,148,818	2.6%
Fuel Flowage Fees	22,593	25,078	25,830	26,605	27,403	28,226	29,072	29,944	3.0%
Total Airfield	**$3,617,097**	**$2,729,715**	**$2,800,529**	**$2,872,907**	**$2,946,884**	**$3,022,495**	**$ 3,099,775**	**$ 3,178,763**	**2.6%**
Terminal, BHS, and Commercial Landside									
Food and Beverage Concessions	$21,043,789	$22,675,829	$23,333,804	$23,987,151	$24,661,637	$25,345,309	$26,038,164	$26,739,686	2.8%
Hotel Concessions	$2,448,101	$2,528,882	$2,602,261	$2,675,125	$2,750,346	$2,826,591	$2,903,860	$2,982,096	2.8%
General Merchandise Concessions	$11,153,816	$12,167,828	$12,520,897	$12,871,482	$13,233,410	$13,600,268	$13,972,054	$14,348,490	2.8%
Car Rental Concessions[2]	50,570,083	52,380,904	53,352,682	54,343,897	55,354,937	56,386,197	57,438,082	58,511,005	1.9%
Advertising Concessions	$1,898,301	$1,968,780	$2,008,156	$2,048,319	$2,089,285	$2,131,071	$2,173,692	$2,217,166	2.0%
Parking	$91,419,985	$96,399,012	$120,206,186	$123,237,310	$127,172,598	$138,332,680	$142,149,150	$146,237,645	7.2%
Ground Transportation	$8,075,339	$8,915,233	$8,769,888	$9,024,360	$9,277,042	$10,204,746	$10,487,643	$10,774,340	3.2%
Reimbursables and Miscellaneous	$2,155,637	$776,586	$2,213,464	$2,264,483	$2,316,814	$2,370,036	$2,424,160	$2,479,178	21.3%
Other Revenues	$564,281	$1,592,256	$250,270	$251,244	$252,238	$253,255	$254,294	$255,356	-26.3%
Total Terminal and Commercial Landside	**$189,329,331**	**$199,405,309**	**$225,257,609**	**$230,703,370**	**$237,108,307**	**$251,450,153**	**$257,841,099**	**$264,544,963**	**4.8%**
Airside									
TSA Revenues and Reimbursements	$318,998	$300,061	$306,663	$313,409	$320,304	$327,351	$334,553	$341,913	2.2%
Reimbursables and Miscellaneous	$341,461	$353,412	$361,187	$369,133	$377,254	$385,554	$394,036	$402,705	2.2%
Total Airside Buildings	**$660,459**	**$653,473**	**$667,850**	**$682,543**	**$697,558**	**$712,905**	**$728,589**	**$744,618**	**2.2%**
General Aviation									
General Aviation	5,362,315.17	5,750,285.96	5,212,092.62	5,541,070.71	5,570,767.55	5,627,555.45	5,709,356.68	7,114,705.51	3.6%
Total General Aviation	**5,362,315.17**	**$5,750,286**	**$5,212,093**	**$5,541,071**	**$5,570,768**	**$5,627,555**	**$5,709,357**	**$7,114,706**	**3.6%**
Other Non-Airline Revenues									
Auxiliary Airport Revenue	$4,648,406	$4,899,844	$5,007,641	$5,117,809	$5,230,400	$5,345,469	$5,463,070	$5,583,257	2.2%
Cargo Complex	$3,523,863	$3,527,613	$3,027,053	$3,027,053	$3,027,053	$3,027,053	$3,027,053	$3,027,053	-2.5%
Cargo Ramp	$297,220	$227,373	$232,376	$237,488	$242,713	$248,052	$253,509	$259,087	2.2%
Cargo Airline Landing Fees	$1,449,650								
Commercial Area Rentals	$7,688,086	$8,084,956	$8,730,729	$8,977,920	$9,134,117	$9,229,862	$9,327,903	$9,415,434	2.6%
Maintenance Hangar, Reservations, etc.	$4,658,397	$4,765,171	$4,666,990	$4,976,912	$5,179,839	$5,391,618	$5,612,654	$5,843,372	3.5%
Flight Kitchen Concessions	$1,059,966	$1,055,243	$1,078,458	$1,102,184	$1,126,432	$1,151,214	$1,176,541	$1,202,425	2.2%
Other Revenues	$4,938,092	$8,580,977	$9,041,504	$9,254,517	$9,359,542	$9,469,026	$8,962,676	$6,811,276	-3.8%
Total Other Revenues	**$28,263,680**	**31,141,177**	**31,784,750**	**32,693,882**	**33,300,097**	**33,862,294**	**33,823,406**	**32,141,904**	**0.5%**
Total Non-Airline Revenues Excluding Interest	**227,232,883**	**$239,679,961**	**$265,722,831**	**$272,493,773**	**$279,623,613**	**$294,675,402**	**$301,202,225**	**$307,724,953**	**4.3%**
Interest Income	$30,307,614	$30,126,003	$30,879,153	$31,651,132	$32,442,410	$33,253,470	$34,084,807	$34,936,927	2.5%
Total Non-Airline Revenues	**$257,540,497**	**$269,805,964**	**$296,601,984**	**$304,144,905**	**$312,066,023**	**$327,928,872**	**$335,287,032**	**$342,661,880**	**4.1%**

TABLE A-2 (2 OF 2) NON-AIRLINE REVENUES

(For Fiscal Years Ending September 30)

	PROJECTED	BUDGET	PROJECTED						CAGR
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	(2024B- 2030)
Non-Airline Revenues by Cost Center									
Airfield	$3,617,097	$2,729,715	$2,800,529	$2,872,907	$2,946,884	$3,022,495	$3,099,775	$3,178,763	2.6%
Terminal, BHS, and Commercial Landside	$189,329,331	$199,405,309	$225,257,609	$230,703,370	$237,108,307	$251,450,153	257,841,099	264,544,963	4.8%
Airside Building	$660,459	$653,473	$667,850	$682,543	$697,558	$712,905	728,589	744,618	2.2%
General Aviation	$5,362,315	$5,750,286	$5,212,093	$5,541,071	$5,570,768	$5,627,555	5,709,357	7,114,706	3.6%
Other	$28,263,680	$31,141,177	$31,784,750	$32,693,882	$33,300,097	$33,862,294	33,823,406	32,141,904	0.5%
Total Non-Airline Revenues Excluding Interest	**$227,232,883**	**$239,679,961**	**$265,722,831**	**$272,493,773**	**$279,623,613**	**$294,675,402**	**$301,202,225**	**$307,724,953**	**4.3%**
Interest Income	$30,307,614	$30,126,003	$30,879,153	$31,651,132	$32,442,410	$33,253,470	$ 34,084,807	$ 34,936,927	2.5%
Total Non-Airline Revenues	**$257,540,497**	**$269,805,964**	**$296,601,984**	**$304,144,905**	**$312,066,023**	**$327,928,872**	**$335,287,032**	**$342,661,880**	**4.1%**

NOTES:

1 Assumes current Signatory/Non-Signatory composition remains constant during Projection Period.

2 Includes CFC Revenues paid to the Authority for prior RAC projects. As defined in the Trust Agreement CFCs are not considered Gross Revenues, with the exception of these CFC Revenues which have been voluntarily deposited by the Authority into the Revenue Fund.

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-3 PROJECTED PFC REVENUE COLLECTIONS
(For Fiscal Years Ending September 30)

	BUDGET	PROJECTED					
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
PFC Beginning Balance	$ 93,695,087	$ 102,332,314	$ 125,787,927	$ 90,481,958	$ 46,917,845	$ 43,688,115	$ 31,457,551
Enplanements	12,603,707	12,996,070	13,271,849	13,549,499	13,829,157	14,111,319	14,396,239
Calculation of PFCs							
89% of Enplanements Paying PFC	11,217,299	11,566,503	11,811,946	12,059,054	12,307,949	12,559,074	12,812,653
PFC Collection Level	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50
Less: Administrative Fee	($0.11)	($0.11)	($0.11)	($0.11)	($0.11)	($0.11)	($0.11)
Total PFC Revenue [1]	$49,243,944	$50,776,947	$51,854,442	$52,939,247	$54,031,898	$55,134,334	$56,247,546
Interest Income	$4,500,000	$3,069,969	$3,773,638	$2,714,459	$1,407,535	$1,310,643	$943,727
PFC PAYGO	($14,717,500)	$0	($60,544,500)	($60,544,500)	($20,000,000)	($30,000,000)	($11,560,100)
PFCs Applied to Subordinated Lien Debt Service	($30,389,217)	($30,391,303)	($30,389,549)	($38,673,318)	($38,669,163)	($38,675,542)	($38,666,849)
Total	**($40,606,717)**	**($27,321,333)**	**($87,160,412)**	**($96,503,359)**	**($57,261,628)**	**($67,364,899)**	**($49,283,222)**
PFC Ending Balance	**$102,332,314**	**$125,787,927**	**$90,481,958**	**$46,917,845**	**$43,688,115**	**$31,457,551**	**$38,421,874**

NOTE:

1 PFC Revenues are projected based on the Authority's existing PFC approvals. See Section 6.6 of this report for a discussion of PFC Revenues.

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-4 (1 OF 2) DEBT SERVICE

(For Fiscal Years Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Senior Lien Bond Debt Service								
Series 2013A	$0	$0	$0	$0	$0	$0	$0	$0
Series 2013B	$3,345,600	$0	$0	$0	$0	$0	$0	$0
Series 2015A (2024A) [1]	$4,429,250	$5,146,252	$28,852,550	$34,473,800	$34,478,348	$0	$0	$0
Series 2015C	$3,949,840	$0	$0	$0	$0	$0	$0	$0
Series 2017A	$1,399,424	$1,399,424	$1,399,424	$1,399,424	$1,399,424	$14,084,424	$14,394,688	$14,713,696
Series 2018A	$7,032,480	$0	$0	$0	$0	$0	$0	$0
Series 2018B	$826,898	$8,161,898	$8,153,388	$8,160,253	$4,986,977	$4,995,159	$0	$0
Series 2018C	$866,613	$866,613	$866,613	$866,613	$866,613	$866,613	$5,866,613	$5,864,113
Series 2018D (2021A) [2]	$357,965	$357,965	$10,824,765	$10,705,443	$10,586,122	$0	$0	$0
Series 2018EF	$26,761,750	$26,251,750	$17,461,250	$17,454,000	$15,351,250	$12,537,250	$12,537,250	$12,537,250
Series 2022A/B	$6,015,950	$20,281,100	$29,517,325	$35,901,400	$47,687,150	$19,853,650	$19,859,900	$19,859,400
Total Existing Senior Lien Debt Service	**$54,985,769**	**$62,465,001**	**$97,075,315**	**$108,960,933**	**$115,355,884**	**$52,337,096**	**$52,658,451**	**$52,974,459**
Future Senior Lien Debt Service [3]								
Future Series 2024	$0	$0	$791,455	$2,598,000	$2,597,500	$31,382,459	$37,932,863	$37,933,113
Future Series 2026	$0	$0	$0	$0	$0	$74,287,875	$93,312,300	$93,312,000
Future Series 2028	$0	$0	$0	$0	$0	$0	$0	$23,208,700
Total Future Senior Lien Bond Debt Service	**$0**	**$0**	**$791,455**	**$2,598,000**	**$2,597,500**	**$105,670,334**	**$131,245,163**	**$154,453,813**
Total Senior Lien Debt Service	**$54,985,769**	**$62,465,001**	**$97,866,770**	**$111,558,933**	**$117,953,384**	**$158,007,430**	**$183,903,613**	**$207,428,271**

TABLE A-4 (2 OF 2) DEBT SERVICE

(For Fiscal Years Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Subordinated Lien Bond Debt Service								
Series 2013A PFC	$10,279,500	$0	$0	$0	$0	$0	$0	$0
Series 2018A PFC	$5,125,000	$5,125,000	$5,125,000	$5,125,000	$5,125,000	$5,125,000	$5,125,000	$5,125,000
Series 2022A PFC	$14,979,897	$25,264,217	$25,266,303	$25,264,549	$25,263,818	$25,259,663	$25,266,042	$25,257,349
Future Series 2026 PFC	$0	$0	$0	$0	$8,284,500	$8,284,500	$8,284,500	$8,284,500
Total Subordinated Lien Bond Debt Service	**$30,384,397**	**$30,389,217**	**$30,391,303**	**$30,389,549**	**$38,673,318**	**$38,669,163**	**$38,675,542**	**$38,666,849**
Total Senior and Subordinated Debt Service	**$85,370,165**	**$92,854,217**	**$128,258,072**	**$141,948,482**	**$156,626,702**	**$196,676,594**	**$222,579,155**	**$246,095,120**
Less: Subordinated Lien PFC Debt Service	$30,384,397	$30,389,217	$30,391,303	$30,389,549	$38,673,318	$38,669,163	$38,675,542	$38,666,849
Less: PFCs Applied to Senior Lien Debt Service (non-pledged)								
Less: Funded with Capitalized Interest								
Plus: Other Debt Service [4]	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Total GARB Debt Service to be paid from Revenues	**$55,185,769**	**$62,665,001**	**$98,066,770**	**$111,758,933**	**$118,153,384**	**$158,207,430**	**$184,103,613**	**$207,628,271**
Total Debt Service [5]	**$85,370,165**	**$92,854,217**	**$128,258,072**	**$141,948,482**	**$156,626,702**	**$196,676,594**	**$222,579,155**	**$246,095,120**

NOTES:

1 Beginning in FY 2025, debt service reflects the refunding of the Series 2015A Bonds with the Series 2024A Bonds.

2 The Series 2018D Bonds were refunded by the Series 2021A Bonds.

3 Assumed interest rate of Market Rates as of June 18, 2024 plus 50 basis points.

4 Truist Note

5 Total debt service does not include annual debt service of approximately $26.6 million of Series 2015 CFC Bond Debt Service paid with CFC revenue.

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-5 INVESTMENT SERVICE

(For Fiscal Years Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Investment Service								
Total Debt Service [1]	$111,969,691	$119,454,461	$154,856,018	$168,546,162	$183,224,998	$223,275,705	$249,176,402	$272,694,786
Less: Senior Lien PFC Supported Debt Service	$0	$0	$0	$0	$0	$0	$0	$0
Less: Funded with Capitalized Interest	$0	$0	$0	$0	$0	$0	$0	$0
Less: Subordinated Lien PFC Supported Debt Service	$30,384,397	$30,389,217	$30,391,303	$30,389,549	$38,673,318	$38,669,163	$38,675,542	$38,666,849
Less: CFC Supported Debt Service	$26,599,526	$26,600,244	$26,597,946	$26,597,680	$26,598,297	$26,599,111	$26,597,246	$26,599,666
Plus: Other Debt Service	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
GARB Debt Service	**$55,185,769**	**$62,665,001**	**$98,066,770**	**$111,758,933**	**$118,153,384**	**$158,207,430**	**$184,103,613**	**$207,628,271**
Investment Service								
Total Pre Resolution Debt Service	$90,973,844	$73,909,144	$99,280,935	$104,782,213	$99,392,030	$64,207,557	$64,520,797	$64,839,725
Less: PFC Supported Debt Service	$15,404,500	$5,125,000	$5,125,000	$5,125,000	$5,125,000	$5,125,000	$5,125,000	$5,125,000
Less CFC Supported Debt Service	$26,599,526	$26,600,244	$26,597,946	$26,597,680	$26,598,297	$26,599,111	$26,597,246	$26,599,666
2020A Note	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Total Pre Resolution GARB Debt Service	**$49,169,819**	**$42,383,901**	**$67,757,990**	**$73,259,533**	**$67,868,734**	**$32,683,446**	**$32,998,551**	**$33,315,059**
GARB Debt Service Coverage	$12,292,455	$10,595,975	$16,939,497	$18,314,883	$16,967,183	$8,170,862	$8,249,638	$8,328,765
Existing Return on Authority Investment [2]	$35,461,568	$35,461,568	$34,552,105	$33,133,561	$31,901,047	$29,849,146	$27,967,338	$26,938,731
GARB Debt Service Reserve Fund Interest	($1,976,463)	($2,612,290)	($4,205,243)	($4,310,374)	($4,418,133)	($4,528,587)	($4,641,801)	($4,757,846)
Total Investment Service	**$94,947,378**	**$85,829,153**	**$115,044,349**	**$120,397,603**	**$112,318,831**	**$66,174,867**	**$64,573,725**	**$63,824,707**
Allocation of Investment Service - Debt and ROI through FY 2020								
Airfield	8.49%	9.47%	8.98%	8.76%	8.39%	8.04%	8.19%	8.46%
Terminal Building	19.44%	9.63%	9.69%	8.77%	8.82%	2.83%	6.62%	6.69%
Airside Buildings	14.07%	16.05%	15.11%	15.78%	15.68%	14.74%	15.66%	14.97%
Commercial Landside	39.70%	44.12%	44.89%	44.87%	45.47%	51.41%	46.22%	47.86%
Baggage Handling System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cargo	3.87%	4.41%	4.62%	4.71%	4.67%	5.61%	5.29%	4.22%
Auxiliary Airports	4.74%	5.40%	5.42%	5.46%	5.44%	5.49%	5.75%	5.33%
General Aviation	2.59%	2.94%	2.82%	3.12%	3.07%	3.17%	3.48%	3.13%
Other	1.40%	1.56%	1.66%	1.65%	1.65%	1.87%	1.79%	1.78%
Land Bank	0.24%	0.19%	0.20%	0.20%	0.20%	0.09%	0.10%	0.10%
Passenger Transfer / Airside Shuttles	3.11%	3.55%	3.74%	3.84%	3.73%	3.36%	3.60%	4.13%
Roads & Grounds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Extraordinary Facilities	2.35%	2.68%	2.87%	2.84%	2.88%	3.38%	3.29%	3.32%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocation of Investment Service - Debt and ROI through FY 2020								
Airfield	$8,057,335	$8,131,352	$10,332,384	$10,552,187	$9,423,827	$5,323,659	$5,288,968	$5,399,451
Terminal Building	$18,456,474	$8,261,480	$11,153,238	$10,561,074	$9,909,135	$1,873,647	$4,274,318	$4,270,296
Airside Buildings	$13,363,200	$13,774,331	$17,387,400	$18,994,207	$17,608,398	$9,753,944	$10,115,242	$9,552,211
Commercial Landside	$37,698,624	$37,871,919	$51,637,901	$54,024,979	$51,069,711	$34,023,003	$29,846,988	$30,546,626
Baggage Handling System	$0	$0	$0	$0	$0	$0	$0	$0
Cargo	$3,672,233	$3,784,811	$5,313,048	$5,669,552	$5,248,268	$3,711,915	$3,415,879	$2,693,920
Auxiliary Airports	$4,500,082	$4,634,066	$6,231,447	$6,576,704	$6,108,313	$3,634,569	$3,712,689	$3,403,737
General Aviation	$2,458,003	$2,522,099	$3,244,012	$3,752,922	$3,451,064	$2,098,924	$2,247,097	$1,997,501
Other	$1,325,038	$1,336,137	$1,913,785	$1,985,595	$1,853,166	$1,237,654	$1,154,198	$1,138,662
Land Bank	$228,905	$161,705	$231,155	$243,416	$227,855	$58,267	$66,866	$64,144
Passenger Transfer / Airside Shuttles	$2,957,350	$3,050,713	$4,299,773	$4,623,666	$4,186,785	$2,225,613	$2,326,610	$2,637,933
Roads & Grounds	$0	$0	$0	$0	$0	$0	$0	$0
Extraordinary Facilities	$2,230,134	$2,300,539	$3,300,206	$3,413,300	$3,232,310	$2,233,671	$2,124,870	$2,120,225
Total Investment Service	**$94,947,378**	**$85,829,153**	**$115,044,349**	**$120,397,603**	**$112,318,831**	**$66,174,867**	**$64,573,725**	**$63,824,707**

NOTES:

1 Excludes debt service on future bonds.

2 ROAI and Percent RNI projections based on CIP provided by Hillsborough County Aviation Authority.

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-6 DEBT SERVICE ALLOCATION

(For Fiscal Years Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Debt Service Allocation (FY 2020 Issuances and Beyond)								
Airfield	$301,145	$1,015,391	$1,505,744	$1,889,129	$2,428,970	$6,464,877	$7,823,705	$28,397,393
Terminal Building	$1,037,684	$3,517,363	$5,119,208	$6,226,402	$8,175,816	$20,809,726	$25,276,919	$25,276,764
Airside Buildings	$1,829,277	$6,180,620	$9,637,877	$13,050,041	$16,953,919	$63,174,105	$76,536,339	$76,536,257
Commercial Landside	$921,429	$3,087,353	$4,493,365	$5,465,201	$7,141,623	$2,931,249	$2,932,172	$2,932,098
Baggage Handling System	$35,505	$108,097	$177,551	$257,745	$307,543	$18,172,251	$22,763,517	$22,763,451
Cargo	$614,184	$2,071,284	$3,014,568	$3,666,565	$4,866,200	$2,024,512	$2,025,149	$2,025,099
Auxiliary Airports	$16,094	$52,220	$76,002	$92,440	$116,503	$46,260	$46,275	$46,273
General Aviation	$14,765	$47,213	$68,714	$83,576	$105,332	$41,824	$41,837	$41,836
Other	$8,738	$35,194	$51,222	$62,300	$78,518	$31,177	$31,187	$31,186
Passenger Transfer	$1,197,035	$4,030,128	$5,966,249	$7,464,838	$9,806,284	$11,707,316	$13,507,237	$13,507,155
Land Bank	$40,094	$136,236	$198,280	$241,164	$303,942	$120,687	$120,725	$120,722
	$6,015,950	**$20,281,100**	**$30,308,780**	**$38,499,400**	**$50,284,650**	**$125,523,984**	**$151,105,063**	**$171,678,233**
Debt Service Coverage Allocation (FY 2020 Issuances and Beyond)								
Airfield	$75,286	$253,848	$376,436	$472,282	$607,242	$1,616,219	$1,955,926	$7,099,348
Terminal Building	$259,421	$879,341	$1,279,802	$1,556,600	$2,043,954	$5,202,431	$6,319,230	$6,319,191
Airside Buildings	$457,319	$1,545,155	$2,409,469	$3,262,510	$4,238,480	$15,793,526	$19,134,085	$19,134,064
Commercial Landside	$230,357	$771,838	$1,123,341	$1,366,300	$1,785,406	$732,812	$733,043	$733,024
Baggage Handling System	$8,876	$27,024	$44,388	$64,436	$76,886	$4,543,063	$5,690,879	$5,690,863
Cargo	$153,546	$517,821	$753,642	$916,641	$1,216,550	$506,128	$506,287	$506,275
Auxiliary Airports	$4,024	$13,055	$19,000	$23,110	$29,126	$11,565	$11,569	$11,568
General Aviation	$3,691	$11,803	$17,179	$20,894	$26,333	$10,456	$10,459	$10,459
Other	$2,184	$8,799	$12,805	$15,575	$19,629	$7,794	$7,797	$7,797
Passenger Transfer	$299,259	$1,007,532	$1,491,562	$1,866,209	$2,451,571	$2,926,829	$3,376,809	$3,376,789
Land Bank	$10,023	$34,059	$49,570	$60,291	$75,985	$30,172	$30,181	$30,180
	$1,503,988	**$5,070,275**	**$7,577,195**	**$9,624,850**	**$12,571,163**	**$31,380,996**	**$37,776,266**	**$42,919,558**
GARB Debt Service Reserve Fund Interest Allocation (FY 2020 Issuances and Beyond)								
Airfield	($98,937)	($130,787)	($208,917)	($211,506)	($213,415)	($233,236)	($240,337)	($786,998)
Terminal Building	($340,918)	($453,051)	($710,273)	($697,105)	($718,347)	($750,762)	($776,483)	($700,514)
Airside Buildings	($600,986)	($796,090)	($1,337,224)	($1,461,076)	($1,489,613)	($2,279,161)	($2,351,122)	($2,121,106)
Commercial Landside	($302,724)	($397,664)	($623,440)	($611,881)	($627,481)	($105,752)	($90,073)	($81,259)
Baggage Handling System	($11,665)	($13,923)	($24,635)	($28,857)	($27,022)	($655,609)	($699,273)	($630,860)
Cargo	($201,782)	($266,790)	($418,261)	($410,507)	($427,556)	($73,039)	($62,211)	($56,123)
Auxiliary Airports	($5,288)	($6,726)	($10,545)	($10,350)	($10,236)	($1,669)	($1,422)	($1,282)
General Aviation	($4,851)	($6,081)	($9,534)	($9,357)	($9,255)	($1,509)	($1,285)	($1,159)
Other	($2,871)	($4,533)	($7,107)	($6,975)	($6,899)	($1,125)	($958)	($864)
Passenger Transfer	($393,271)	($519,097)	($827,797)	($835,760)	($861,604)	($422,370)	($414,929)	($374,334)
Land Bank	($13,172)	($17,548)	($27,511)	($27,001)	($26,705)	($4,354)	($3,709)	($3,346)
	($1,976,463)	**($2,612,290)**	**($4,205,243)**	**($4,310,374)**	**($4,418,133)**	**($4,528,587)**	**($4,641,801)**	**($4,757,846)**

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-7 LANDING FEE CALCULATION

(Fiscal Year Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Landing Fee Calculation								
O&M Expenditures	$21,670,800	$24,134,345	$25,884,359	$27,539,530	$29,054,204	$29,814,526	$31,454,325	$33,184,313
O&M Reserve Requirement	$210,370	$263,260	$291,669	$275,862	$252,446	$126,720	$273,300	$288,331
Investment Service	$8,033,332	$7,171,346	$9,631,840	$9,501,143	$8,510,198	$4,725,267	$4,722,401	$4,808,287
Debt Service - FY 2020 Issuances and Beyond	$300,709	$1,015,391	$1,505,254	$1,894,790	$2,486,695	$6,468,970	$7,827,799	$28,401,487
Debt Service Coverage - FY 2020 Issuances and Beyond	$75,177	$253,848	$376,313	$473,698	$621,674	$1,617,243	$1,956,950	$7,209,351
Future Return on Authority Investment (ROAI)	$1,113,452	$1,318,576	$2,305,623	$2,916,579	$5,973,593	$7,547,497	$8,115,395	$9,918,012
Total Requirement	**$31,403,839**	**$34,156,765**	**$39,995,060**	**$42,601,602**	**$46,898,809**	**$50,300,223**	**$54,350,170**	**$83,809,781**
Less: Fuel Flowage Fees	$851,286	$1,065,914	$1,106,641	$1,130,987	$1,155,869	$1,181,298	$1,207,286	$1,233,847
Net Requirement	**$30,552,553**	**$33,090,851**	**$38,888,419**	**$41,470,615**	**$45,742,940**	**$49,118,925**	**$53,142,883**	**$82,575,934**
Adjusted Airfield Revenue Requirement	$30,552,553	$33,090,851	$38,888,419	$41,470,615	$45,742,940	$49,118,925	$53,142,883	$82,575,934
Airlines' Share of Requirement	100%	100%	100%	100%	100%	100%	100%	100%
Airlines' Airfield Revenue Requirement	$30,552,553	$33,090,851	$38,888,419	$41,470,615	$45,742,940	$49,118,925	$53,142,883	$82,575,934
Total Landed Weight	13,438,182	14,189,496	15,230,558	15,517,292	15,807,806	16,101,248	16,395,311	16,690,235
Net Landing Fee Requirement	$2.27	$2.33	$2.55	$2.67	$2.89	$3.05	$3.24	$4.95
Non-Signatory Premium	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Non-Signatory Landing Fee	**$2.28**	**$2.45**	**$2.68**	**$2.81**	**$3.04**	**$3.20**	**$3.40**	**$5.19**
Signatory Landing Fee Requirement	$29,871,171	$32,351,006	$37,960,560	$40,477,606	$44,641,893	$47,929,075	$51,847,955	$80,552,130
Signatory Landed Weight	13,139,212	13,887,395	14,884,471	15,163,405	15,445,381	15,729,768	16,014,785	16,300,668
Signatory Landing Fee	**$2.27**	**$2.33**	**$2.55**	**$2.67**	**$2.89**	**$3.05**	**$3.24**	**$4.94**
Nonsignatory Airline Landing Fee Revenues	$680,737	$739,845	$927,056	$992,141	$1,100,079	$1,188,799	$1,293,779	$2,022,002
Signatory Airline Landing Fee Revenues	$27,619,937	$30,657,614	$35,289,088	$37,589,577	$41,417,053	$44,427,829	$48,021,361	$74,550,804
Nonsignatory Cargo Landing Fee Revenues	$646	$0	$802	$867	$968	$1,051	$1,149	$1,802
Signatory Cargo Landing Fee Revenues	$2,251,235	$1,693,393	$2,671,472	$2,888,029	$3,224,840	$3,501,245	$3,826,594	$6,001,327
Total Landing Fee Revenues	**$30,552,554**	**$33,090,851**	**$38,888,419**	**$41,470,615**	**$45,742,940**	**$49,118,925**	**$53,142,883**	**$82,575,934**

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-8 TERMINAL BUILDING RENTAL RATES

(Fiscal Year Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Average Terminal Building Rate Calculation								
O&M Expenditures	$41,060,825	$45,473,489	$50,672,402	$53,348,168	$56,282,317	$57,755,174	$60,931,709	$64,282,953
Less: Airline Support Expenditures	($1,434,379)	($1,417,613)	($1,365,232)	($1,440,319)	($1,519,537)	($1,603,111)	($1,691,283)	($1,784,303)
O&M Reserve Requirement	$428,437	$849,067	$866,486	$445,961	$489,025	$245,476	$529,422	$558,541
Investment Service	$18,251,150	$16,333,080	$21,936,973	$22,903,308	$21,320,332	$10,475,198	$11,824,703	$11,780,803
Debt Service - FY 2020 Issuances and Beyond	$1,043,739	$3,517,363	$5,162,862	$6,276,492	$8,336,945	$20,837,233	$25,304,435	$25,304,279
Debt Service Coverage - FY 2020 Issuances and Beyond	$260,935	$687,670	$1,290,715	$1,569,123	$2,084,236	$5,209,308	$6,326,109	$6,423,164
ROAI	$1,156,279	$1,473,023	$2,809,628	$3,995,658	$3,744,639	$2,638,127	$3,226,029	$539,522
Total Terminal Building Requirement	**$60,766,986**	**$66,916,079**	**$81,373,836**	**$87,098,390**	**$90,737,958**	**$95,557,405**	**$106,451,124**	**$107,104,958**
Less: Prior Period Airline Coverage Rebate	$0	$0	$0	$0	$0	$0	$0	$0
Less: CARES O&M Expenditure Reduction	$0	$0	$0	$0	$0	$0	$0	$0
Net Terminal Requirement	$60,766,986	$66,916,079	$81,373,836	$87,098,390	$90,737,958	$95,557,405	$106,451,124	$107,104,958
Rentable Terminal Building Space	254,397	254,397	254,289	254,289	254,759	265,395	265,395	265,395
Signatory Terminal Building Rental Rate	**$238.87**	**$263.04**	**$320.01**	**$342.52**	**$356.17**	**$360.06**	**$401.10**	**$403.57**
Non-Signatory Premium	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Non-Signatory Terminal Building Rental Rate	**$250.81**	**$276.19**	**$336.01**	**$359.65**	**$373.98**	**$378.06**	**$421.16**	**$423.75**
Non-Signatory Terminal Building Rental Revenues	**$82,721**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Signatory Terminal Building Rental Revenues:								
Ticket Counter, Offices, Other	$7,656,022	$8,430,695	$10,392,965	$11,124,022	$11,567,333	$11,693,669	$13,026,525	$13,106,743
Bag Claim, Bag Service, & Curbside Checkin	$1,184,317	$1,304,152	$1,595,250	$1,707,462	$1,775,507	$1,794,899	$1,999,484	$2,011,796
Bag Make-up, Lev 2 Conveyer, Tug Drive	$0	$0	$0	$0	$0	$0	$0	$0
Signatory Terminal Building Rental Revenues	**$8,840,340**	**$9,734,847**	**$11,988,215**	**$12,831,484**	**$13,342,841**	**$13,488,568**	**$15,026,008**	**$15,118,539**
Total Terminal Building Rental Revenues	**$8,923,060**	**$9,734,847**	**$11,988,215**	**$12,831,484**	**$13,342,841**	**$13,488,568**	**$15,026,008**	**$15,118,539**

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-9 BHS COST RECOVERY - PER ENPLANED PASSENGER - RATES BY ORDINANCE

(Fiscal Year Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Baggage Handling System Fee Calculation								
O&M Expenditures	$5,780,017	$6,252,332	$5,831,814	$6,183,932	$6,524,049	$6,694,777	$7,062,990	$7,451,454
O&M Reserve Requirement	$88,119	($145,697)	($70,086)	$58,686	$56,686	$28,455	$61,369	$64,744
Investment Service	$0	$0	$0	$0	$0	$0	$0	$0
Debt Service (if allocated separately)	$32,883	$108,097	$156,938	$233,522	$288,374	$18,160,412	$22,751,674	$22,751,608
Debt Service Coverage (if allocated separately)	$8,221	$27,024	$39,235	$58,380	$72,094	$4,540,103	$5,687,918	$5,775,202
Return on Authority Investment	$63,211	$235,191	$268,013	$680,451	$840,063	$822,654	$835,040	$855,776
Total BHS Requirement	**$5,972,451**	**$6,476,948**	**$6,225,913**	**$7,214,972**	**$7,781,265**	**$30,246,400**	**$36,398,991**	**$36,898,784**
Airline Enplaned Passengers	11,560,792	12,603,707	12,996,070	13,271,849	13,549,499	13,829,157	14,111,319	14,396,239
Average BHS Cost per Enplaned Passenger	**$0.52**	**$0.51**	**$0.48**	**$0.54**	**$0.57**	**$2.19**	**$2.58**	**$2.56**
Non-Signatory Premium		1.05	1.05	1.05	1.05	1.05	1.05	1.05
Non-Signatory BHS Fee	**$0.66**	**$0.54**	**$0.50**	**$0.57**	**$0.60**	**$2.30**	**$2.71**	**$2.69**
Non-Signatory BHS Revenues	**161,301.00**	**130,515.84**	**154,498.49**	**180,668.81**	**195,310.65**	**769,382.86**	**931,102.20**	**948,819.37**
Signatory BHS Revenues	**$5,811,150**	**$6,346,432**	**$6,071,415**	**$7,034,303**	**$7,585,955**	**$29,477,018**	**$35,467,888**	**$35,949,965**
Signatory Portion to be Allocated Equally	$0	$0	$0	$0	$0	$0	$0	$0
Signatory Portion to be Allocated by Enplaned Passengers	$5,811,150	$6,346,432	$6,071,415	$7,034,303	$7,585,955	$29,477,018	$35,467,888	$35,949,965
Total BHS Fees	**$5,972,451**	**$6,476,948**	**$6,225,913**	**$7,214,972**	**$7,781,265**	**$30,246,400**	**$36,398,991**	**$36,898,784**

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-10 AIRSIDE BUIILDING RENTAL RATES

(Fiscal Year Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Average Airside Buildings Rate Calculation								
O&M Expenditures	$38,052,814	$42,969,075	$45,373,743	$48,156,937	$50,805,569	$76,140,153	$80,327,861	$84,745,894
O&M Reserve Requirement	$909,720	$738,886	$400,778	$463,866	$441,439	$4,222,431	$697,951	$736,339
Investment Service	$13,476,558	$12,284,043	$16,462,252	$16,752,313	$15,549,749	$8,423,028	$8,794,479	$8,307,336
Debt Service - FY 2020 Issuances and Beyond	$1,829,468	$6,180,620	$9,620,335	$13,036,479	$16,623,302	$63,159,511	$76,521,741	$76,521,659
Debt Service Coverage - FY 2020 Issuances and Beyond	$457,367	$1,545,155	$2,405,084	$3,259,120	$4,155,825	$15,789,878	$19,130,435	$19,424,035
Return on Authority Investment (if allocated separately)	$2,114,943	$2,229,363	$2,854,158	$3,284,703	$3,728,885	$18,236,416	$19,105,419	$21,033,848
Total Airside Buildings Requirement	**$56,840,870**	**$65,947,142**	**$77,116,349**	**$84,953,417**	**$91,304,769**	**$185,971,417**	**$204,577,886**	**$210,769,110**
Less: Airline Coverage	$0	$0	$0	$0	$0	$0	$0	$0
Less: CARES O&M Expenditure Reduction	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Airside Buildings Requirement	$56,840,870	$65,947,142	$77,116,349	$84,953,417	$91,304,769	$185,971,417	$204,577,886	$210,769,110
Rentable Square Feet	560,577	560,577	560,577	569,177	569,177	878,145	878,145	878,145
Signatory Airside Buildings Rental Rate	**$101.40**	**$117.64**	**$137.57**	**$149.26**	**$160.42**	**$211.78**	**$232.97**	**$240.02**
Non-Signatory Premium	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Non-Signatory Average Rental Rate	**$106.47**	**$123.52**	**$144.45**	**$156.72**	**$168.44**	**$222.37**	**$244.62**	**$252.02**
Nonsignatory Airside Buildings Rental Revenues	$0	$0	$0	$0	$0	$0	$0	$0
Signatory Airside Buildings Rental Revenues	$21,761,294	$25,412,005	$30,658,713	$31,665,808	$34,033,424	$53,247,115	$58,823,478	$60,867,402
Total Airside Buildings Rental Revenues	**$21,761,294**	**$25,412,005**	**$30,658,713**	**$31,665,808**	**$34,033,424**	**$53,247,115**	**$58,823,478**	**$60,867,402**

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-11 PASSENGER TRANSFER SYSTEM (PTS) COST RECOVERY - RATES BY ORDINANCE

(Fiscal Year Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Passenger Transfer Fee Calculation								
O&M Expenditures	$7,237,177	$7,879,916	$8,218,153	$8,714,978	$9,194,301	$9,434,908	$9,953,828	$10,501,288
O&M Reserve Requirement	$118,241	$175,959	$56,373	$82,804	$79,887	$40,101	$86,487	$91,243
Investment Service	$2,945,031	$2,687,130	$3,412,686	$3,765,549	$3,410,565	$1,724,977	$1,840,706	$2,100,873
Debt Service (if allocated separately)	$1,235,445	$4,162,392	$6,153,121	$7,693,338	$10,110,274	$11,822,064	$13,622,022	$13,621,936
Debt Service Coverage (if allocated separately)	$308,861	$1,040,598	$1,538,280	$1,923,335	$2,527,569	$2,955,516	$3,405,505	$3,457,753
Return on Authority Investment	$79,147	$95,598	$153,143	$189,635	$214,940	$190,405	$211,004	$240,227
Total PTS Requirement	**$11,923,902**	**$16,041,592**	**$19,531,756**	**$22,369,638**	**$25,537,536**	**$26,167,971**	**$29,119,552**	**$30,013,321**
Ridership percentage	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%
Airline Share of PTS	**$11,590,033**	**$15,592,428**	**$18,984,867**	**$21,743,289**	**$24,822,485**	**$25,435,268**	**$28,304,204**	**$29,172,948**
Enplaned Passengers	11,560,792	12,603,707	12,996,070	13,271,849	13,549,499	13,829,157	14,111,319	14,396,239
Average PTS Cost per Passenger	$1.00	$1.24	$1.46	$1.64	$1.83	$1.84	$2.01	$ 2.03
Non-Signatory Premium	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Non-Signatory PTS Fee	**$1.05**	**$1.30**	**$1.53**	**$1.72**	**$1.92**	**$1.93**	**$2.11**	**$2.13**
Non-Signatory PTS Revenues	$256,812	$314,205	$472,765	$545,176	$624,994	$645,613	$724,954	$751,296
Signatory PTS Revenues	$11,333,221	$15,278,223	$18,512,102	$21,198,113	$24,197,491	$24,789,655	$27,579,250	$28,421,652
Signatory PTS Fee	**$ 1.00**	**$ 1.24**	**$ 1.46**	**$ 1.64**	**$ 1.83**	**$ 1.84**	**$ 2.00**	**$ 2.02**
Total PTS Fees	**$11,590,033**	**$15,592,428**	**$18,984,867**	**$21,743,289**	**$24,822,485**	**$25,435,268**	**$28,304,204**	**$29,172,948**

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-12 AIRLINE COST PER ENPLANEMENT [1]

(Fiscal Year Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Airline Cost per Enplanement								
Airline Landing Fees (excluding Cargo)	$28,300,673	$31,397,459	$36,216,144	$38,581,718	$42,517,132	$45,616,628	$49,315,140	$76,572,806
Terminal Building Rental Revenues, Airline Support, and BHS Fees	$46,674,621	$51,145,925	$60,216,535	$64,830,328	$67,685,629	$93,770,799	$106,913,988	$107,957,981
Airside Building PTS Revenues[2]	$45,078,290	$54,206,637	$65,436,796	$71,548,871	$78,112,958	$111,051,166	$122,365,892	$126,304,973
FIS Fees	$2,468,940	$2,519,727	$3,305,735	$3,378,461	$3,452,787	$5,293,123	$5,409,572	$5,528,582
Total Passenger Airline Revenue	**$122,522,524**	**$139,269,747**	**$165,175,210**	**$178,339,379**	**$191,768,506**	**$255,731,716**	**$284,004,592**	**$316,364,341**
Less: Revenue Sharing	$4,558,657	$3,998,278	$5,117,281	$3,799,599	$3,798,280	$3,695,143	$3,423,037	$3,333,617
Less: ASIP program fee waivers [3]	$5,760,620	$4,765,395	$3,957,284	$4,044,344	$4,133,320	$4,224,253	$4,317,186	$4,412,164
Net Airline Revenues	$112,203,246	$130,506,074	$156,100,645	$170,495,435	$183,836,905	$247,812,321	$276,264,369	$308,618,561
Total Enplanements	11,560,792	12,603,707	12,996,070	13,271,849	13,549,499	13,829,157	14,111,319	14,396,239
Airline Cost per Enplanement	**$9.71**	**$10.35**	**$12.01**	**$12.85**	**$13.57**	**$17.92**	**$19.58**	**$21.44**

NOTES:

1 Airline cost per enplanement calculations do not reflect any future defeasance of debt.

2 Includes per use fees and hardstand parking.

3 The Air Service Incentive Program (ASIP) provides fee waivers for qualifying new service.

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-13 (1 OF 2) NET REMAINING REVENUE AND DEBT SERVICE COVERAGE[1]

(For Fiscal Years Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Airline Revenues[2]								
Landing Fees	$30,552,554	$33,090,851	$38,888,419	$41,470,615	$45,742,940	$49,118,925	$53,142,883	$82,575,934
Terminal Building Rental Revenues, Airline Support, and BHS Fees	$46,674,621	$51,145,925	$60,216,535	$64,830,328	$67,685,629	$93,770,799	$106,913,988	$107,957,981
Airside Building Rentals and PTS fees	$45,078,290	$54,206,637	$65,436,796	$71,548,871	$78,112,958	$111,051,166	$122,365,892	$126,304,973
FIS Fees	$2,468,940	$2,519,727	$3,305,735	$3,378,461	$3,452,787	$5,293,123	$5,409,572	$5,528,582
Total Airline Revenues	**$124,774,405**	**$140,963,140**	**$167,847,485**	**$181,228,275**	**$194,994,314**	**$259,234,013**	**$287,832,335**	**$322,367,470**
Non-Airline Revenues [3]	$227,232,883	$239,679,961	$265,722,831	$272,493,773	$279,623,613	$294,675,402	$301,202,225	$307,724,953
Investment Earnings	$31,393,134	$30,126,003	$30,879,153	$31,651,132	$32,442,410	$33,253,470	$34,084,807	$34,936,927
Total Revenue	**$383,400,422**	**$410,769,103**	**$464,449,468**	**$485,373,180**	**$507,060,337**	**$587,162,885**	**$623,119,367**	**$665,029,349**
Less:								
O&M Expenditures	$174,838,006	$193,745,028	$207,816,318	$219,246,215	$231,304,757	$261,375,474	$275,751,125	$290,917,436
O&M Reserve Requirement	$2,736,554	$2,746,851	$2,363,281	$1,901,374	$2,005,950	$5,007,770	$2,391,704	$2,523,248
Local Funds Used for Capital Projects	$46,566,602	$57,417,400	$38,554,898	$60,914,120	$62,741,543	$64,623,790	$66,562,503	$68,559,378
Total GARB and Other Debt Service [4]	$55,185,769	$62,665,001	$98,066,770	$111,758,933	$118,153,384	$158,207,430	$184,103,613	$207,628,271
Net Remaining Revenue before Revenue Sharing	**$104,073,492**	**$94,194,824**	**$117,648,201**	**$91,552,537**	**$92,854,703**	**$97,948,421**	**$94,310,422**	**$95,401,015**
Minimum Contribution to Reserves	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
Available for Revenue Sharing	$94,073,492	$84,194,824	$107,648,201	$81,552,537	$82,854,703	$87,948,421	$84,310,422	$85,401,015
Airline % of Net Remaining Revenue	10%	10%	10%	10%	10%	10%	10%	10%
% of Revenue (Parking, RAC, Concessions)	48%	47%	48%	47%	46%	42%	41%	39%
Airlines' Revenue Transfer	**$4,558,657**	**$3,998,278**	**$5,117,281**	**$3,799,599**	**$3,798,280**	**$3,695,143**	**$3,423,037**	**$3,333,617**
Additional Revenue Transfer (if applicable)	$0	$0	$0	$0	$0	$0	$0	$0
ASIP program fee waivers	$5,760,620	$4,765,395	$3,957,284	$4,044,344	$4,133,320	$4,224,253	$4,317,186	$4,412,164
Net Remaining Revenue	**$83,754,215**	**$75,431,151**	**$98,573,636**	**$73,708,594**	**$74,923,103**	**$80,029,026**	**$76,570,199**	**$77,655,235**

TABLE A-13 (2 OF 2) NET REMAINING REVENUE AND DEBT SERVICE COVERAGE[1]

(For Fiscal Years Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Coverage Calculation								
Total Revenue [2]	$383,400,422	$410,769,103	$464,449,468	$485,373,180	$507,060,337	$587,162,885	$623,119,367	$665,029,349
Less: ASIP fee waivers	$5,760,620	$4,765,395	$3,957,284	$4,044,344	$4,133,320	$4,224,253	$4,317,186	$4,412,164
Revenues Pledged under the Senior Trust Agreement	**$377,639,802**	**$406,003,708**	**$460,492,184**	**$481,328,836**	**$502,927,017**	**$582,938,632**	**$618,802,181**	**$660,617,185**
Less: O&M Expenditures[4]	$174,838,006	$193,745,028	$207,816,318	$219,246,215	$231,304,757	$261,375,474	$275,751,125	$290,917,436
Less: O&M Reserve Requirement	$2,736,554	$2,746,851	$2,363,281	$1,901,374	$2,005,950	$5,007,770	$2,391,704	$2,523,248
Less: ASIP marketing expenditures	$2,008,029	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Plus: Relief Funding O&M Expenditure Reduction	$33,085,667	$0	$0	$0	$0	$0	$0	$0
Plus: equipment expenditures	$2,469,676	$2,000,400	$2,056,492	$2,169,599	$2,288,927	$2,414,818	$2,547,633	$2,687,753
Net Revenue before Transfer	$233,612,557	$210,512,229	$251,369,077	$261,350,845	$270,905,237	$317,970,206	$342,206,985	$368,864,254
Total Senior Lien Bond Debt Service[3]	$54,985,769	$62,465,001	$97,866,770	$111,558,933	$117,953,384	$158,007,430	$183,903,613	$207,428,271
Senior Lien Debt Service Coverage (1.25x)	**4.25**	**3.37**	**2.57**	**2.34**	**2.30**	**2.01**	**1.86**	**1.78**
Net Revenue Available after Senior Lien Debt Service ("Subordinated Revenues")	$178,626,788	$148,047,229	$153,502,307	$149,791,912	$152,951,854	$159,962,776	$158,303,372	$161,435,983
Plus: PFC Revenue available for Subordinated Lien Debt Service and Coverage [5]	$45,169,170	$49,243,944	$50,776,947	$51,854,442	$52,939,247	$54,031,898	$55,134,334	$56,247,546
Plus: O&M Reserve Requirement	$2,736,554	$2,746,851	$2,363,281	$1,901,374	$2,005,950	$5,007,770	$2,391,704	$2,523,248
Net Revenue Available for Subordinated Lien Debt Service ("Pledged Revenues")	$226,532,512	$200,038,023	$206,642,535	$203,547,728	$207,897,050	$219,002,444	$215,829,411	$220,206,777
Total Subordinated Lien Debt Service[3]	$30,384,397	$30,389,217	$30,391,303	$30,389,549	$38,673,318	$38,669,163	$38,675,542	$38,666,849
Subordinated Lien Debt Service Coverage (1.25x)[6]	**7.46**	**6.58**	**6.80**	**6.70**	**5.38**	**5.66**	**5.58**	**5.69**
Revenues Pledged under the Senior Trust Agreement	$377,639,802	$406,003,708	$460,492,184	$481,328,836	$502,927,017	$582,938,632	$618,802,181	$660,617,185
Plus: PFC Revenue available for Subordinated Lien Debt Service and Coverage [5]	$45,169,170	$49,243,944	$50,776,947	$51,854,442	$52,939,247	$54,031,898	$55,134,334	$56,247,546
Less: Trust agreement O&M fund	$139,282,663	$191,744,628	$205,759,826	$217,076,616	$229,015,830	$258,960,656	$273,203,492	$288,229,684
Less ASIP marketing expenditures	$2,008,029	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Net Revenue Available for Aggregate Debt Service ("Available Revenues") [7]	$281,518,281	$262,503,024	$304,509,305	$315,106,661	$325,850,434	$377,009,874	$399,733,024	$427,635,048
Total Aggregate Debt Service [8]	$85,370,165	$92,854,217	$128,258,072	$141,948,482	$156,626,702	$196,676,594	$222,579,155	$246,095,120
Aggregate Debt Service Coverage (1.15x)[6]	**3.30**	**2.83**	**2.37**	**2.22**	**2.08**	**1.92**	**1.80**	**1.74**

NOTES:

1 Debt service coverage calculations do not reflect any future defeasance of debt.

2 Excludes CFC Revenues paid to the Authority which have not been pledged to secure the Senior Bonds or the Subordinated Bonds.

3 Includes debt service on future bonds.

4 Operating Expenditures includes capitalized equipment expenditures.

5 Represents Total Available PFC Revenue after Senior Lien Debt Service. PFC Revenues are projected based on the Authority's existing PFC approvals.

6 The Subordinated Trust Agreement requires three tests to be met for the issuance of Additional Bonds. Two of the tests are shown above: the Subordinated Lien and Aggregate Debt Service Coverage tests. The third, which involves non-PFC Subordinated Lien debt service, is not applicable given that no non-PFC Subordinated debt is outstanding.

7 Represents Net Revenue before Transfer plus all available PFC.

8 Represents Senior Lien and Subordinated Lien debt service.

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

TABLE A-14 APPLICATION OF AIRPORT REVENUES

(For Fiscal Years Ending September 30)

	ACTUAL	BUDGET	PROJECTED					
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
REVENUE FUND								
Beginning Balance	**$27,274,365**	**$27,994,477**	**$28,765,994**	**$29,638,334**	**$30,549,974**	**$31,502,347**	**$32,605,170**	**$33,775,528**
Deposit: Additional Revenue Received	$720,112	$771,517	$872,340	$911,640	$952,373	$1,102,824	$1,170,358	$1,249,074
Ending Balance	**$27,994,477**	**$28,765,994**	**$29,638,334**	**$30,549,974**	**$31,502,347**	**$32,605,170**	**$33,775,528**	**$35,024,602**
O&M FUND								
Beginning Balance	**$37,572,650**	**$43,455,000**	**$44,579,888**	**$46,004,306**	**$46,850,652**	**$47,743,548**	**$51,577,045**	**$52,729,892**
Deposit: O&M Expenses	$177,983,802	$192,123,066	$206,877,454	$218,191,187	$230,191,703	$260,201,201	$274,512,267	$289,610,442
Deposit: O&M Reserve Requirement	$2,736,554	$2,746,851	$2,363,281	$1,901,374	$2,005,950	$5,007,770	$2,391,704	$2,523,248
Expend: O&M Expenses	$174,838,006	$193,745,028	$207,816,318	$219,246,215	$231,304,757	$261,375,474	$275,751,125	$290,917,436
Ending Balance	**$43,455,000**	**$44,579,888**	**$46,004,306**	**$46,850,652**	**$47,743,548**	**$51,577,045**	**$52,729,892**	**$53,946,146**
DEBT SERVICE FUND								
Beginning Balance	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**
Deposit: Debt Service [1]	$55,185,769	$62,665,001	$98,066,770	$111,758,933	$118,153,384	$158,207,430	$184,103,613	$207,628,271
Expend: Debt Service	$55,185,769	$62,665,001	$98,066,770	$111,758,933	$118,153,384	$158,207,430	$184,103,613	$207,628,271
Ending Balance	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**	**$101,784,503**
SURPLUS FUND								
Beginning Balance	**$304,156,006**	**$265,267,800**	**$340,698,951**	**$340,939,254**	**$343,814,515**	**$347,904,284**	**$427,933,310**	**$504,503,510**
Deposit: Equipment and R&R	$728,191	$1,119,900	$545,200	$639,712	$674,897	$712,016	$751,177	$792,492
Deposit: Net Remaining Revenues	$83,754,215	$75,431,151	$98,573,636	$73,708,594	$74,923,103	$80,029,026	$76,570,199	$77,655,235
Expend: Office Building Purchase	$123,450,000							
Expend: Additional Authority Funded Capital			$98,333,333	$70,833,333	$70,833,333	$0	$0	$0
Expend: Equipment and R&R	$728,191	$1,119,900	$545,200	$639,712	$674,897	$712,016	$751,177	$792,492
Ending Balance	**$265,267,800**	**$340,698,951**	**$340,939,254**	**$343,814,515**	**$347,904,284**	**$427,933,310**	**$504,503,510**	**$582,158,744**
DAYS CASH ON HAND								
Funds Available	$336,717,277	$414,044,833	$416,581,893	$421,215,140	$427,150,179	$512,115,525	$591,008,930	$671,129,493
Operating Expenditures [2]	$174,838,006	$193,745,028	$207,816,318	$219,246,215	$231,304,757	$261,375,474	$275,751,125	$290,917,436
Days Cash On Hand	**703**	**780**	**732**	**701**	**674**	**715**	**782**	**842**

NOTES:

1 Includes Other Debt Service

2 Operating Expenditures includes Equipment and Renewal and Replacement.

SOURCES: Hillsborough County Aviation Authority; Ricondo & Associates, Inc., July 2024.

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APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2023

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Hillsborough County Aviation Authority

Financial Statements, Other Financial Information and Compliance Reports

Year Ended September 30, 2023

Tampa International Airport | Peter O. Knight Airport | Plant City Airport | Tampa Executive Airport

Table of Contents

RSM

RSM US LLP

Independent Auditors' Report

Members of the Board of Directors
Hillsborough County Aviation Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Hillsborough County Aviation Authority (the Authority), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of September 30, 2023, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, effective October 1, 2022, the Authority adopted Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance, as required *by Title 2 U.S. Code of Federal Regulations Part 200,* Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and Chapter 10.550, *Rules of the Auditor General, State of Florida*, and the Schedule of Passenger Facility Charges Collected and Expended as required by the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and State Financial Assistance (the Information) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The Information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Information is fairly stated in all material respects in relation to the financial statements as a whole.

The Schedule of Passenger Facility Charges Collected and Expended (the Schedule) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The Schedule provides relevant information that is not provided by the financial statements and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America or a complete presentation in accordance with the cash basis of accounting. Under the cash basis, expenditures are recognized when paid rather than when the obligation is incurred and receipts are recorded when cash is received rather than when earned. The Schedule has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of bonds issued, redeemed and outstanding and the schedules of cash and investment transactions but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements dooes not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required *by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

RSM US LLP

Tampa, Florida
March 28, 2024

The following management discussion and analysis (MD&A) of the financial performance and activity of the Hillsborough County Aviation Authority (the Authority) is to provide an introduction and understanding of the financial statements of the Authority for the fiscal year ended September 30, 2023, with selected comparative information for the year ended September 30, 2022.

The Authority is a self-supporting organization and generates revenues from airport users to fund operating expenses and debt service requirements. Capital projects are funded through the use of bonds, short-term financing, passenger facility charges, rental car facility fees, federal and state grants and internally generated funds. Although empowered to levy ad valorem property taxes, the Authority has not collected any tax funds since 1973.

Financial and Activity Highlights – Fiscal Year (FY) 2023

2023 stands out as one of the most successful financial years in the history of the Authority, propelled by record-breaking passenger traffic, operating revenues, and bottom-line performance. As the aviation industry continued its robust recovery, Tampa International Airport witnessed a 4.5% increase in passenger traffic over previous records.The strength of the regional economy along with the combination of the strong local market following years of strong migration of residents to Tampa Bay coupled with the well-established leisure and business demand helped drive the record financial performance for the Authority. The per passenger spending throughout the airport along with the passenger growth drove significant increases in the Authority's parking and concessions lines of business. In addition, the Authority earned record high interest income as a result of the rising interest rates combined with prudent management of the investment portfolio. With the strong top line revenue performance and management's strategic approach to managing operating expenses and inflationary cost pressures, the Authority had one of the strongest financial performances in its history with a record bottom line contribution to reserves.

The Authority was allocated funds through the Coronavirus Response and Relief Supplemental Appropriation (CRRSA) Act, and the American Rescue Plan (ARPA) Act. The Authority received a total of $34.9 million and $40.2 million in ARPA and CRRSA funds to reimburse related expenses in fiscal year 2023 and 2022, respectively. As of FY2023 the Authority has been fully reimbursed for its allocated funds referenced above.

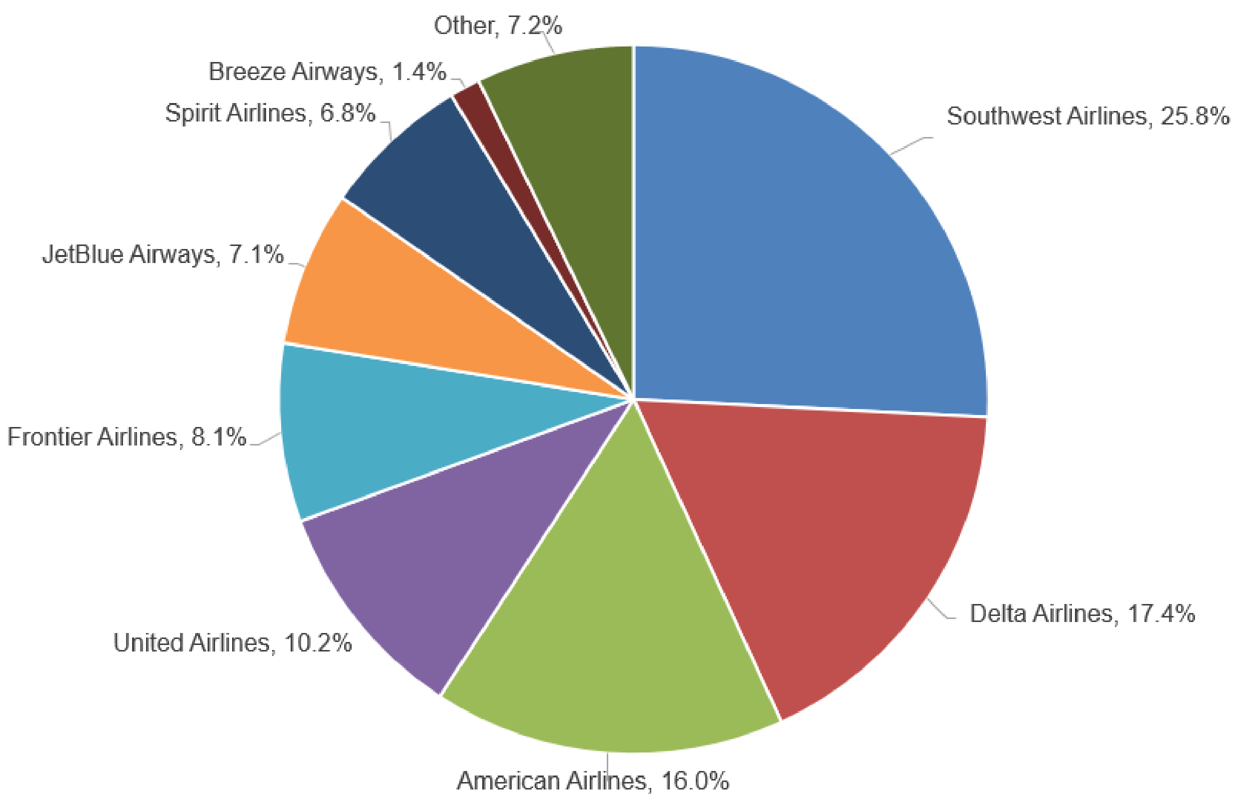
The COVID-19 Federal Recovery Grants received in FY2023 and 2022, of which $9.4 million must be used for eligible concessions relief, are summarized in the following table (in thousands).

	CRRSA		ARPA		
	2023	2022	2023	2022	Total
Tampa International	$ -	$ -	$ 29,812	$ 40,000	$ 69,812
Concessions	1,813	-	3,273	-	5,086
General Aviation	-	59		150	209
Total	$ 1,813	$ 59	$ 33,085	$ 40,150	$ 75,107

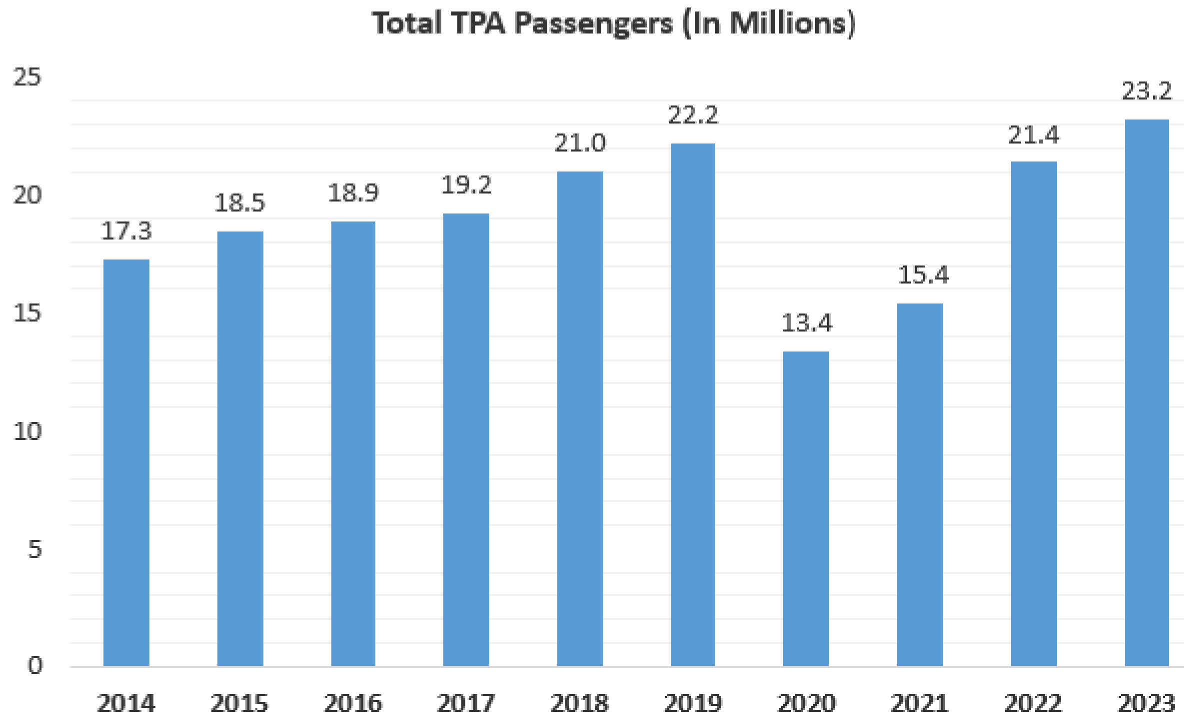
With the record traffic, the operating results for fiscal year 2023 also significantly exceeded historical levels. As a result, the Authority achieved record bottom-line growth, with days cash on hand reaching over 715 days, well in excess of our 600 day goal. A positive net position of $1.36 billion at the current fiscal year-end and a net position increase of $94.6 million underscored the Authority's financial strength. A total of 23.2 million passengers traveled through the Airport in 2023, which was 8.3% higher than 2022, as the carriers added four new markets over the course of the year for a total of 95 airports served. Passenger enplanements at the Airport for the fiscal year ended September 30, 2023, totaled 11.6 million, 8.2% increase as compared with 10.7 million enplanements in 2022. As a result of these factors, he Airport's operating revenues grew to $344.2 million, $32.3 million or 10.4% more than fiscal year 2022.

For fiscal year 2023, the top three airlines, in terms of passenger enplanements and market share were Southwest, Delta and American. Southwest remained the carrier with the highest market share at 25.8%, Delta was second at 17.4%, and American was third at 16.0%. During 2022, Southwest remained the carrier with the highest market share at 26.6%, Delta was second at 17.8% and American was third at 17.6%.

The airline market share based on the enplanements at Tampa International Airport for fiscal year ended September 30, 2023, is presented in the following chart.



The following graph represents total passenger activity at Tampa International Airport (TPA) from fiscal years 2014 to 2023.



Landed weight in 2023 totaled 13,438,182 thousand pounds, compared to 12,688,662 thousand pounds in 2022. The number of landings for domestic and international flights was 87,099 for 2023, compared to 82,579 for 2022.

Overview of the Financial Statements

The Authority operates as a single enterprise fund with multiple cost centers. The financial statements are prepared on the accrual basis of accounting; therefore, revenues are recognized when earned and expenses are recognized when incurred. Capital assets are capitalized and depreciated, except land, over their useful life. This MD&A is intended to serve as an introduction to the basic financial statements, notes to the financial statements, and required supplementary information of the Authority. These statements and schedules, along with the MD&A, are designed to provide readers with an understanding of the Authority's financial position.

<u>Basic Financial Statements</u>

The statement of net position presents information on all of the Authority's assets, deferred outflows of resources, liabilities and deferred inflows of resources as of September 30, 2023. Increases or decreases in net position over time are relative indicators of the Authority's financial position.

The statement of revenues, expenses and changes in net position shows the results of the Authority's operations reflecting both operating and non-operating activities during the fiscal year ended September 30, 2023. Changes in net position reflect the fiscal year's operating impact upon our overall financial position. The statement summarizes the recording of financial transactions when underlying events occur, not the receipt or disbursement of cash.

The statement of cash flows relates to the cash and cash equivalent inflows and outflows as a result of financial transactions during the fiscal year and also include a reconciliation of operating income to the net cash provided by operating activities.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

During fiscal year 2023, the Authority adopted the Governmental Accounting Standard Board (GASB) Statement No. 96 (GASB 96), Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments. GASB 96 requires recognition of a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. The adoption of GASB 96 resulted in the Authority recording right-to-use subscription assets and subscription liabilities. Additional details on the implementation of GASB 96 can be found in the Note 6.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning the Authority's defined benefit and OPEB plans for its employees.

Other Supplementary Information

Other supplementary information is presented following the required supplementary information, including schedule of bonds activity, major funds cash and investment transaction schedules, and expenditures of federal and state grants information.

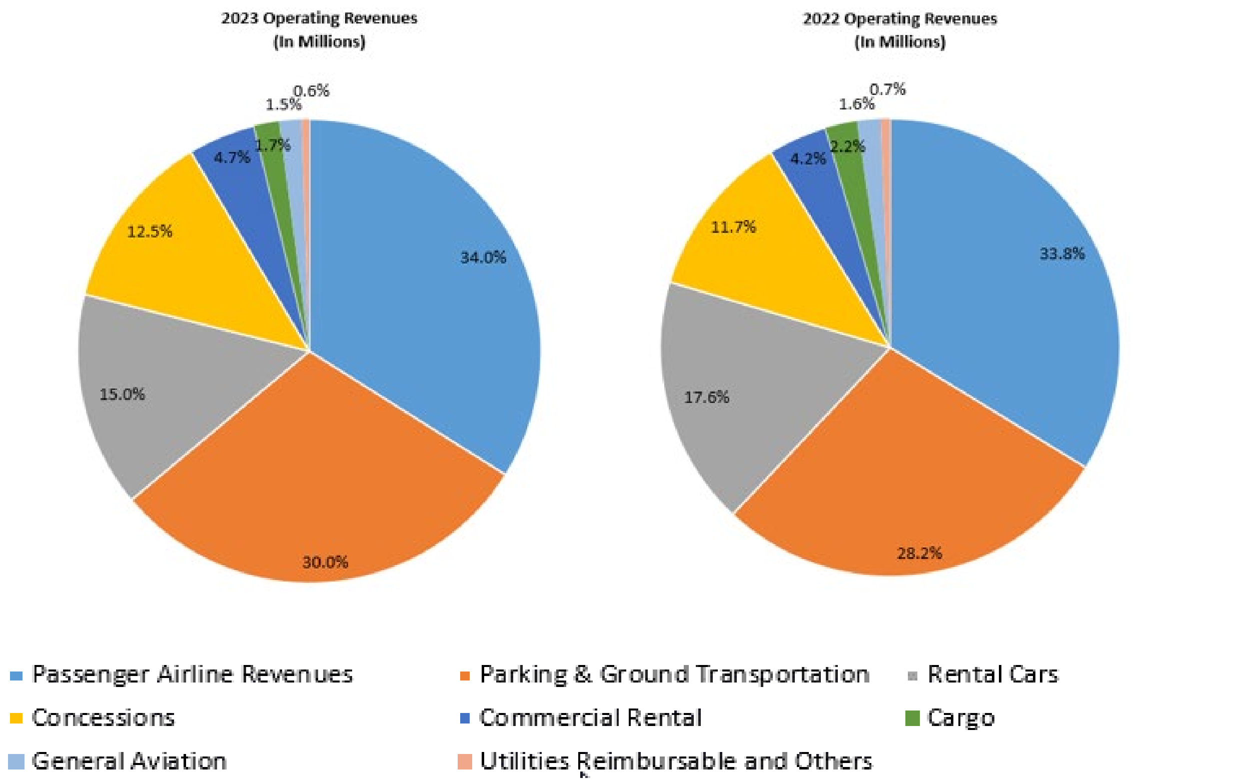
Financial Analysis

Operating Revenues

The following table presents the total operating revenues for fiscal years 2023 and 2022 in thousands:

Revenue Sources	Year 2023	Year 2022	Percent Change 2022 to 2023
Passenger Airline Revenue	$ 116,873	$ 105,523	10.8%
Parking	95,251	81,677	16.6%
Rental Cars	51,695	54,989	-6.0%
Concessions	43,119	36,363	18.6%
Commercial Rentals	12,962	12,366	4.8%
Ground Transportation	7,977	6,463	23.4%
Cargo	6,019	6,996	-14.0%
General Aviation	5,253	5,053	4.0%
SkyCenter Revenue	3,199	371	762.3%
Utilities Reimbursable and Others	1,876	2,097	-10.5%
Total	$ 344,224	$ 311,898	10.4%

The following chart illustrates for the fiscal years 2023 and 2022 that approximately 36% of revenue sources were generated from aeronautical services; 64% of revenues were non-aeronautical revenues, derived from parking and ground transportation, rental cars, concessions, general aviation and other revenues.



Overall, the total operating revenues of the Authority were $344.2 million in fiscal year 2023, an increase of $32.3 million, or 10.4% compared with 2022 with increases most lines of business. Parking and concessions revenue increased year-over-year due to an increase in spend per passenger along with the enplanment growth, which led to passenger airline revenue increases as a result of the cost and debt service increases of the Authority.

The Authority's cost-recovery rate making methodology resulted in net-airline revenue of $112.3 million driving a very competitive cost per enplanement (CPE) of $9.71. Parking revenue had a record revenue year of $95.3, $13.6 million, or 16.6%, more than 2022. Strong local demand for parking resulted in record daily levels throughout the year in all garages. The Authority's implementation of the pre-book parking reservation system has allowed the Authority to also revenue-manage the operation more effiicently and effectively manage peak demand conditions. Concessions revenue increased by 18.6%, or $6.8 million versus 2022 due to a combination of increased per-passenger spend coupled with strong passenger growth. Ground transportation demand has also recovered with passengers, generating $8 million revenues, or 23.4% higher than 2022. The Authority purchased the new SkyCenter One office building, which houses the Authority's administrative offices as well in the Spring of 2023 and recognized $3.2 million of tenant revenue for the first 6 months of ownership. Following years of record rental car concessions performance during the pandemic with limited inventory and inflated leisure demand, the Authority's rental car concession revenue decreased by $3.3 million, or 6.0%. Despite this miss, the actual results were ahead of the Authority's operating budget given the stabilization of fleet inventory levels.

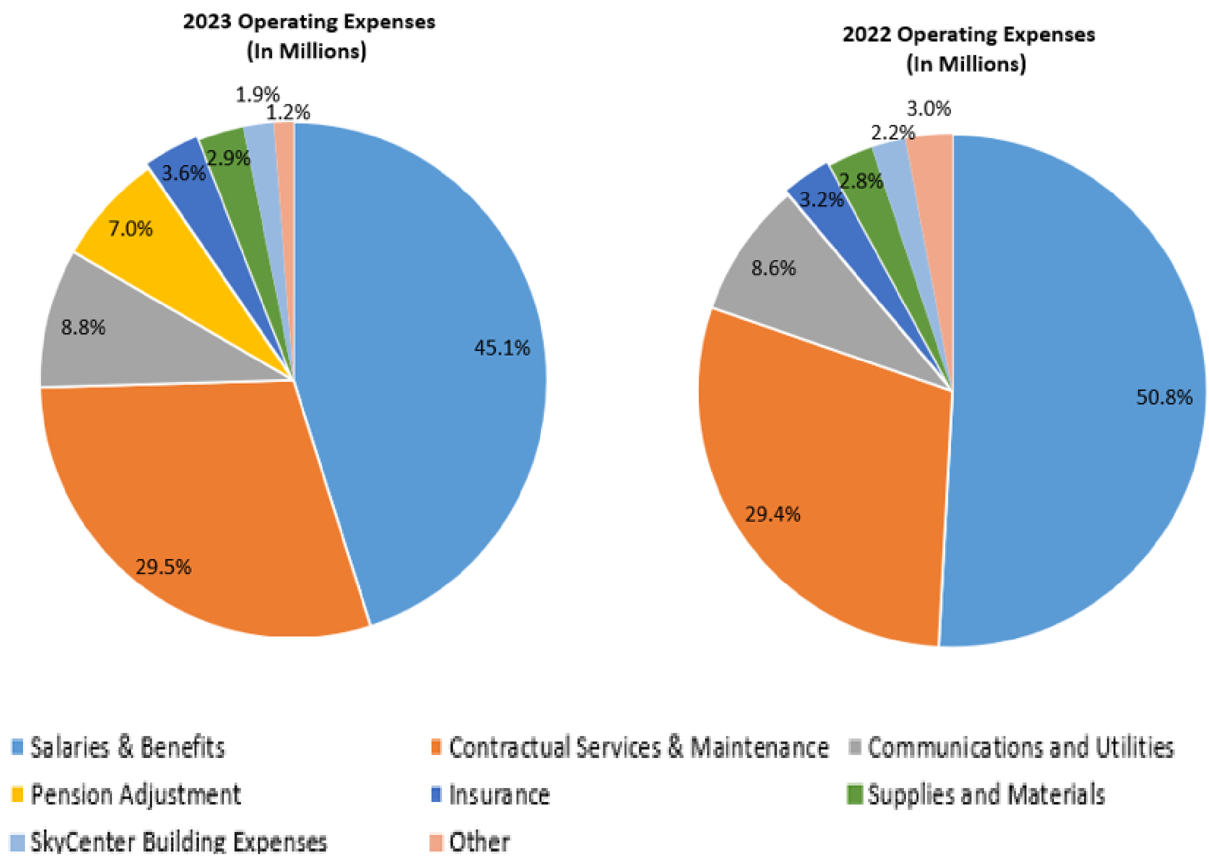
For all other revenue categories, the commercial rental including maintenance hangar, fuel farm and non-aviation related rentals, general aviation, utilities reimbursables and other revenues all increased compared to 2022 levels. The adoption of GASB 87 resulted in a recognition of the loss of lease revenues of $4.8 million in fiscal year 2023, which offset the increase of other revenues. Cargo revenues decreased by $1.0 million, or 14.0% due to a combination of factors including decreased air cargo demand following the pandemic along with the shift of certain cargo operations out of TPA.

Operating Expenses

The following table presents the total operating expense classifications by business units for fiscal years 2023 and 2022 in thousands:

	Year		Percent Change
Expense Classification	2023	2022	2022 to 2023
Personnel Compensation and Benefits	$ 86,588	$ 84,253	2.8%
Contractual Maintenance	29,535	25,087	17.7%
Contractual Services	27,095	23,705	14.3%
Communications and Utilities	16,811	14,233	18.1%
Pension Adjustment	13,483	1,779	657.9%
Insurance	6,960	5,305	31.2%
Supplies and Materials	5,537	4,741	16.8%
SkyCenter Building Expenses	3,732	3,624	3.0%
Other	2,149	4,935	-56.5%
Total	$ 191,890	$ 167,662	14.5%

The following chart shows the major operating expense categories and their percentages to the total operating expenses in fiscal year 2023:



Total operating expenses were $191.9 million for fiscal year 2023, which represents a $24.2 million, or 14.5% increase compared to fiscal year 2022. A comparative analysis of major expenses indicates that the gross payroll expenses increased by $2.3 million, or 2.8%. This increase is attributable to the hiring of staffing concurrent with the return to normal operations and cost of living adjustment, which increased salaries and wages by $3.3 million and Florida Retirement System and FICA contributions by $1.5 millions. Health insurance related expenses increased by $0.75 million due to the rising cost of medical claims. An increase of $11.7 million in pension adjustment was due to GASB 68 pension reporting requirements.

Non-personnel costs were $10.2 million, or 12.5% higher than fiscal year 2022. Contracted services and maintenance costs increased by $7.8 million, or 16.1% higher, due to high inflationary level that drives overall costs going up. Utilities expenses increased by $2.6 million, or 18.1%, which was attributable to the rate increases. The insurance costs increased $1.7 million, or 31.2%, reflecting current property insurance market trend in Florida. Supplies, materials and equipment expenses increased by $0.8 million, or 16.8%. Other expenses decreased $2.8 million, primarily due to the adption of GASB 96 SBITAs and termination of the GASB 87 office building lease which resulted a decrease of $3.2 million in lease and subscription IT expenses, offsetting the increase of $0.6 million relating to cloud information technology service, travel and business promotions as a result of normal business operations.

Revenues, Expenses and Changes in Net Position

The following table is a summary of the statement of revenues, expenses and changes in net position in thousands:

	Year		Change
	2023	2022	2022 to 2023
Operating Revenues	$ 344,224	$ 311,898	$ 32,326
Operating Expenses	191,890	167,662	24,228
Signatory Airline Revenue Sharing	4,564	4,085	479
Operating Income before Depreciation and Amortization	147,770	140,151	7,619
Depreciation and Amortization	178,969	167,619	11,350
Operating Loss	(31,199)	(27,468)	(3,731)
Net Nonoperating Revenue (Expense)	8,223	(40,262)	48,485
Capital Contributions	117,610	116,325	1,285
Increase in Net Position	$ 94,634	$ 48,595	$ 46,039

In fiscal year 2023, operating income before depreciation and amortization was $147.7 million, an increase of $7.6 million compared to the prior year, which indicates a robust recovery of the passenger traffic, and strong business growth during fiscal year 2023.

Depreciation and amortization expenses were $179.0 million in 2023, an increase of $11.4 million compared with 2022, due to the completion of certain projects being added into the capital assets during FY2023, and the implementation of GASB 96 with an inclusion of $2.5 million right-to-use subscription IT amortization, offset by a decrease of $1.6 million right-to-use lease amortization as a result of purchasing of the SkyCenter building by the Authority during fiscal year 2023.

Net non-operating revenues in fiscal year 2023 increased $48.5 million compared to fiscal year 2022, which can be attributable to the increases of $23.9 million in interest earnings resulting from the Authority's prudent expansion of investment portfolio and rising interest rates throughout the fiscal year, $19.8 million in unrealized gain in accordance with fair market value reporting under the GASB Statement No. 72, Fair Value Measurement and Application (GASB 72), and a decrease of $16 million in loss on disposal of capital assets. The increases help offset a decrease of $10 million in the Federal ARPA Act funds received and an increase of $1.2 million debt service interest expenses.

Capital contributions consist of Federal and State Grants, Federal Reimbursements, Passenger Facility Charges (PFCs), and Customer Facility Charges (CFCs), which are being received to fund various construction projects and the land acquisition program at the Airport. PFCs are collected at a $4.50 per passenger level by the airlines, of which $4.39 is remitted to the Authority. CFCs are collected at $5.95 per transaction day for current on-airport companies.

In fiscal year 2023, total capital contributions increased by $1.3 million, compared with fiscal year 2022. The major drivers for the change were an increase of $3.8 million in PFC revenues reflecting the passenger traffic growth during the current fiscal year, $3.4 million increase in net CFC collections as a result of the strong growth in the travel market, which offset $5.97 million decrease in federal and state grants and reimbursements.

Statement of Net Position

The following table (in thousands) is a summary of the Authority's total assets, deferred outflows, total liabilities, deferred inflows and net position in thousands. An overall increase of $94.6 million in net position, particularly with $68.2 million increase in net investment in capital assets indicates the Authority's ability to generate profits and reinvest in the capital assets. Approximately $14.7 million and $11.7 million increases in both restricted and unrestricted net positions in current fiscal year, compared to the prior year, reflect the Authority's continued improvements in financial reserves and liquidity levels to support its operations and future development during fiscal year 2023.

	Year		Change
	2023	2022	2022 to 2023
ASSETS			
Current Assets	$ 501,100	$ 479,857	$ 21,243
Capital Assets, Net	2,375,350	2,251,791	123,559
Other Non-Current Assets	853,383	933,130	(79,747)
Total Assets	3,729,833	3,664,778	65,055
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on Refunding of Debt	2,575	2,846	(271)
Deferred Outflows on Pension Related Amounts	17,113	17,800	(687)
Deferred Outflows on OPEB Related Amounts	1,543	1,703	(160)
Total Deferred Outflows of Resources	21,231	22,349	(1,118)
LIABILITIES			
Current Liabilities	120,671	104,798	15,873
Non-Current Liabilities	1,806,733	1,864,858	(58,125)
Total Liabilities	1,927,404	1,969,656	(42,252)
DEFERRED INFLOWS OF RESOURCES			
Deferred Gain on Refunding of Debt	130	191	(61)
Deferred Inflows on Leases	461,963	449,428	12,535
Deferred Inflows on Pension Related Amounts	3,005	3,644	(639)
Deferred Inflows on OPEB Related Amounts	2,948	3,228	(280)
Total Deferred Inflows of Resources	468,046	456,491	11,555
NET POSITION			
Net Investment in Capital Assets	942,356	874,160	68,196
Restricted	136,670	121,944	14,726
Unrestricted	276,588	264,876	11,712
Total Net Position	$ 1,355,614	$ 1,260,980	$ 94,634

Assets

Current assets at September 30, 2023 totaled $501.1 million, an increase of $21.2 million from the prior fiscal year. The major contributing factors are increases in cash and cash equivalents balance by $77.4 million as the Authority put more funds into the investment pools to gain a high rate of return and in demand withdrawal capability, $12 million in government grants receivable, and $7.1 million in accounts receivable, lease receivable and other asset, to offset a decrease of $75.3 million in net current investments.

Capital Assets, Net of Depreciation and Amortization Excluding GASB 87 Leased Assets and SBITAs Right to Use Subscriptions (in Thousands)

	Year		Change 2022 to 2023	
	2023	2022	$	%
Land	$ 217,354	$ 217,354	$ -	0.0%
Construction in Progress	258,567	201,475	57,092	28.3
Equipment – Net	20,506	24,073	(3,567)	(14.8)
Buildings and Improvements – Net	1,872,141	1,787,838	84,303	4.7
Total Capital Assets – Net	$ 2,368,568	$ 2,230,740	$ 137,828	6.2%

The increase of $137.8 million in net capital assets from fiscal year 2022 to 2023 is primarily attributable to the Authority's capital improvements and purchase of SkyCenter, the completion of the Master Plan Phase 2 projects and other airport improvement projects in the amount of $245.1 million, which increased $80.7 million in net depreciable assets, and $57.1 million in non-depreciable assets. Fiscal Year 2023 completed projects to be depreciated are listed in the following table.

Completed Projects (In Millions)	2023
SkyCenter Purchase	$ 151.2
Checked Bag System Upgrades	55.7
A/S A,C and F Restroom Renovations	13.9
Main Terminal Elevator Modernization	5.9
Commercial Real Estate Development Preliminary Planning and Design	2.9
Main Terminal Structure Envelope Restoration and Drive Lanes Ceiling Replacement	2.7
CCTV Enhancement and Replacement	1.5
Common/Shared Use Passenger Processing Systems Phase 3	1.5
FEDEX Roof Replacement	1.4
Baggage Handling System Upgrade and Enhancement Phase 1	1.0
Parking Garage Related Projects	2.0
Airfield Taxiway Related Projects	1.0
Other Projects	4.4
Total	$ 245.1

The capital assets depreciation of $174.5 million and net loss on retirements of $1.1 million offset the increase in net capital assets. See Note 7 for a detailed discussion of capital assets.

At September 30, 2023, non-current cash, investments and receivables of $853.4 million decreased $79.7 million, which were primarily attributable to a decrease of $202.3 million in investments due to portion of 2022 bond funds being deposited into the investment pools that is classified as cash equivalent and the pace of construction expenditures. Increases in cash and cash equivalents of $105.3 million, and PFCs receivable of 1.4 million offset the decrease. In addition, a non-current lease receivable of $419.4 million, an increase of $15.9 million compared to the prior year was recorded in accordance of the GASB 87 requirements.

Deferred outflows of resources decreased by $1.1 million, and deferred inflows of resources increased by $11.6 million at September 30, 2023. These changes were primarily due to pension and other post-employment benefits (OPEB) reporting requirements, resulted in a decrease in deferred outflows of $1 million in Florida Retirement System (FRS) and OPEB related amounts, and amortization of deferred loss on refunding of debt. The increase in deferred inflows of resources was primarily attributable to the GASB 87 lease reporting requirements, adding $12.5 million deferred inflows related to leases, which offset the net decrease of $1 million in pension and OPEB related inflows and amortization of deferred gains on refunding of debt.

Liabilities

Current liabilities, with a balance of $120.7 million at September 30, 2023, were $15.9 million higher than the balance of the prior fiscal year. The change is primarily attributable to increases in construction projects payable of $9.1 million, the Authority's purchase of Skycenter providing tenant allowance and accrued building expenses of $7.1 million in fiscal year 2023, $1.7 million in current bonds principal payable, and $0.9 million in airline revenue sharing and other current liabilities. An overall decrease of accounts payable and accrued expenses of $1.5 million offsets the increase in current liabilities.

In addition, current lease payable of $0.272 million, a decrease of $3 million as a result of the purchase was reported in accordance with the GASB No. 87 requirements. The adoption of the GASB 96 resulted $1.7 million of Subscription IT current liability being recorded in fiscal year 2023.

At September 30, 2023, non-current liabilities totaled $1.8 billion, a decrease of $58.1 million, as compared with the balance of prior fiscal year end. The decrease is primarily attributable to reclassification of bonds principal due within a year to current liability and amortization of bonds premium totaling $57.4 million, decrease of lease liability of $18.5 due to SkyCenter purchase, in accordance with the GASB 87 requirements. Pension liability increase by $13.4 million due to GASB 68 pension reporting requirements. In addition, non-current Subscription IT liability of $4.3 million was recorded in accordance with the GASB 96 requirements.

Net Position

The increase in net position over the two years can be primarily attributable to strong annual financial operating results in fiscal year 2023, as a result of the strong passenger growth and the cost-recovery rate setting methodology, as well as the the Federal ARPA and CRRSA Act relief funds in 2023 and 2022. The Authority has taken various actions to sustain its financial stability, and continued to invest cautiously in capital assets funded through its operating revenues, PFC and CFC collections. Even though the Authority's investment in capital assets is reported net of related debt, it should be noted that the Authority's revenues, including PFC revenues and CFC revenues are utilized to repay the debt in accordance with the Trust Agreement(s).

A portion of the net position represents resources is subject to bond covenants or other restrictions. Such funds are held to meet bond sinking fund and debt service reserve requirements (see Note 8).

Airline Rates and Charges

Effective October 1, 2020, the Authority Board approved the Tampa International Airport Airline Rates, Fees and Charges Resolution (Resolution). The Resolution provides a cost-recovery rate setting methodology for all areas of the facility within the airline cost centers, including both per-use and leased areas. Passenger air carriers with an active Space Rental Agreement for space within the Terminal Complex or an all-cargo air carrier that has an active lease of space within the Authority's Cargo Cost and Revenue Center will be considered Signatory Airlines. The Resolution provides formulas for Fiscal Year-End Settlement and Revenu Sharing for Signatory Airlines.

Rates and charges are calculated on an annual basis and reviewed and adjusted, if necessary, throughout each fiscal year to ensure that sufficient revenues are generated to satisfy all requirements of the Authority's Trust Agreement.

The following table summarizes passenger airline rents, landing fees, net revenue sharing and cost per enplaned (departing) passenger for fiscal years ended September 30 (in thousands).

Passenger Airline Costs	2023	2022
Airline Landing Fees	$ 26,956	$ 25,657
Landside Terminal Rentals and Fees	44,430	40,086
Airside Building Rentals and Fees	45,487	39,780
Total Airline Fees and Charges	116,873	105,523
Less Airline Revenue Sharing	(4,564)	(4,085)
Net Airline Fees and Charges	$ 112,309	$ 101,438
Enplaned Passengers	11,561	10,689
Airline Cost per Passenger	$ 9.71	$ 9.49

Capital Improvement Program

In fiscal year 2023, the Authority received the Board's approval for the capital program budget totaling $888.5 million, with $44.6 million of that amount coming from Authority funds, and the rest of the projects were funded with federal and state grants, bond proceeds, PFCs. Projects in the fiscal year 2023 budget include on-going annual capital needs, such as the replacement or upgrade of various systems, rehabilitation of structures, as well as various initiatives at the general aviation facilities. Approved major projects were:

Approved Projects (In Millions)	2023
Airside D Development	$ 787.4
Wildlife Management Program	17.8
Airside E Shuttle Cars	14.7
Asphalt Overlay – RW10/28 & 1R/19L and Misc. Concrete Slab Replacement	11.3
Taxiway A, D, E & J Rehabilitation	9.5
North Employee Lot Expansion	8.7
GA Security Improvements	6.5
Main Terminal and Airside Chair Reupholster and Replacement Airside Lounge Seating	3.4
Purchase of 6 COBUSES	3.3
Airfield Drainage Rehabilitation	3.2
Short Term Parking Garage Level 4 & Entry/Exit Ramps	2.8
Long Term Parking Garage Switchgear Replacement	2.7
Main Terminal LED Technology Refresh	2.6
Tampa Fuel Committee	2.0
CCTV Enhancement/Replacement	2.0
FY23 ITS Commodity Purchases	1.9
Replace Automatic Doors in Main Terminal	1.9
Shooter Detection System	1.6
Baggage Handling Systems Servers Upgrade/Enhancement	1.5
Vandenberg Airport Road & Tampa Executive Airport Road Rehabilitation	1.3
Other Projects	2.4
Total	$ 888.5

During fiscal year 2023, the Authority substantially completed $245.1 million in capital projects. A list of completed projects in 2023 is provided in the Capital Assets section.

In August 2018, PFC Application #11, authorizing PFC collections in the amount of $858.3 million was approved by the Federal Aviation Administration, bringing the total collection authority for all PFC applications to $1.7 billion. Through September 30, 2023, $934.5 million has been collected under these approved applications. Expenditures under the PFC applications through September 30, 2023, totaled over $592.7 million. Expenditures in excess of collections are funded from the issuance of PFC-backed revenue bonds, and bank notes or from Authority funds that will be reimbursed from PFCs.

Debt Management

At the end of fiscal year 2023, the Authority had general airport revenue bonds outstanding in the total amount of $1.67 billion. Of this total, $51.69 million is reported as the current liability. A schedule of the Authority's debt activity for the years ended September 30, 2023 and 2022 (in thousands) is as follows

	2023	2022	2022 to 2023 Amount	2022 to 2023 %
Outstanding Bonds	$ 1,668,720	$ 1,718,745	$ (50,025)	-2.9%
Net Unamortized Bonds Premium	97,734	103,451	(5,717)	-5.5%
Total Debt	$ 1,766,454	$ 1,822,196	$ (55,742)	-3.1%

The Authority's bond covenants require that revenues available to pay debt service, as defined in the Trust Agreement, exceed 1.25 times the annual debt service amount. The debt service coverage ratio for the three fiscal years ended September 30, are presented in the following table:

	Requirement	2023	2022
Senior Debt Service Coverage	1.25x	4.25x	3.64x
Subordinated Debt Service Coverage	1.25x	7.46x	6.75x
Subordinated Debt Service Coverage (3rd Lien)	1.15x	3.30x	2.95x
CFC Debt Service Coverage	1.50x	1.84x	1.72x

As of September 30, 2023, the public underlying ratings for the Authority's outstanding senior revenue bonds, subordinated PFC backed revenue bonds, and CFC-backed revenue bonds with stable outlook are listed in the following table:

Bonds Ratings	Senior Lien	Subordinated Lien	CFC -Backed Lien
Fitch	AA-	A+	
Moody's	Aa3	A1	A3
S&P	AA-	A+	A
Kroll	AA	AA-	A+

The Airport's strong origin and destination market in and around Tampa, Florida, the growing service area led to enplanement growth of 18% between 2015 and 2019 and relatively faster recovery of traffic following the pandemic, and enplanement in FY2023 exceeded 2019 level by 4.3%, reflected in its strong ratings. HCAA displayed sound management in response to the pandemic, including prudent use of coronavirus relief funds and management of operating expenses. The Authority's actions preserved high liquidity profile exceeding 700 in 2023. The ratings also reflect very strong net revenue debt service coverage ratios (DCSR) in current year and over the next few years, as the improved revenue collection from the airport's rates by ordinance structure on net revenue. Based on the Airport continuing growth trend, the outlook is viewed as stable by all rating agencies.

Economic Outlook

During fiscal year 2023, the airline industry continued to see strong demand and TPA was no exception, with record passenger traffic of 23.2 million passengers and numerous new airlines commencing and announcing service to TPA. In order to support this continued growth, the Authority is in the midst of expanding the Airside A & E Security checkpoints and in the design phase of a new 16-gate international Airside D. These projects will be completed in 2025 and 2027, respectively, with Airside D completing the Phase 3 of the 2012 Master Plan. Moving beyond Airside D, the Authority is working with Ricondo & Associates, the Authority's Airport Master Planner, to identify and outline plans for future enhancements to the campus footprint, which will allow the Airport to continue to maintain the outstanding level of customer service and to serve the community in the medium term and beyond. The strong economic growth of the Tampa Bay region along with the record leisure traffic has helped Tampa International Airport (TPA) continue to drive record financial performance and maintain its strong credit rating. The Authority is also proud to have been recognized as J.D. Power's #1 Large Hub Airport in North America for the 2nd consecutive year, which further illustrates the world-class reputation within the industry.

Request for Information

This financial report is designed to provide a general overview of the Authority's finances and to demonstrate the Authority's accountability for the funds it receives and expends. Questions concerning this report or requests for additional information should be addressed to Damian Brooke, Executive Vice President of Finance and Procurement, Tampa International Airport, P.O. Box 22287, Tampa, FL 33622. Information of interest may also be obtained on the Authority's website at TampaAirport.com.

BASIC FINANCIAL STATEMENTS

Hillsborough County Aviation Authority

Statement of Net Position
September 30, 2023
(In Thousands)

ASSETS		
CURRENT ASSETS		
Unrestricted:		
Cash and Cash Equivalents	$	259,535
Investments		38,595
Accounts Receivable		17,585
Accrued Interest Receivable		1,567
Lease Receivable		56,133
Prepaids		5,685
Government Grants Receivable		21,272
Other Assets		3,022
Total Unrestricted Assets		403,394
Restricted:		
Cash and Cash Equivalents		26,436
Investments		71,270
Total Restricted Assets		97,706
Total Current Assets		501,100
NONCURRENT ASSETS		
Capital Assets:		
Land		217,354
Construction in Progress		258,567
Building, Equipment and Improvements		3,836,498
Right-to-Use Leased Equipment		1,089
Right-to-Use Subscription IT Assets		8,650
Total Capital Assets		4,322,158
Less Accumulated Depreciation		(1,943,851)
Less Accumulated Amortization for Right-to-Use Leased Equipment		(427)
Less Accumulated Amortization for Right-to-Use Subscription IT Assets		(2,530)
Total Capital Assets, Net		2,375,350
Cash and Cash Equivalents, Restricted		187,344
Investments, Unrestricted		38,630
Investments, Restricted		201,542
Lease Receivable, Unrestricted		419,414
Passenger Facility Charges Receivable, Restricted		6,453
Total Noncurrent Assets		3,228,733
Total Assets		3,729,833
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Loss on Refunding of Debt		2,575
Deferred Outflows on Pension Related Amounts		17,113
Deferred Outflows on OPEB Related Amounts		1,543
Total Deferred Outflows of Resources		21,231

(Continued)

Hillsborough County Aviation Authority

Statement of Net Position (Continued)
September 30, 2023
(In Thousands)

LIABILITIES	
CURRENT LIABILITIES	
Payable from Unrestricted Assets:	
Accounts Payable – Construction	$ 2,047
Accrued Airline Revenue Sharing	4,564
Accounts Payable – Trade	6,726
Accrued Expenses	17,749
Accrued Project Expenditures	12,148
SkyCenter Building Allowance and Accrued Expenses	7,096
Lease Liability	272
Subscription IT Liability	1,738
Other Liabilities	5,474
Total Current Liabilities Payable from Unrestricted Assets	57,814
Payable from Restricted Assets:	
Accounts Payable – Construction	11,167
Current Maturities of Revenue Bonds Payable	51,690
Total Current Liabilities Payable from Restricted Assets	62,857
Total Current Liabilities	120,671
NONCURRENT LIABILITIES	
Revenue Bonds Payable, Net of Current Maturities	1,714,764
Lease Liability	398
Subscription IT Liability	4,338
Net Pension Liability	78,016
Total OPEB Liability	5,197
Other Liabilities	4,020
Total Noncurrent Liabilities	1,806,733
Total Liabilities	1,927,404
DEFERRED INFLOWS OF RESOURCES	
Deferred Gain on Refunding of Debt	130
Deferred Inflows on Leases	461,963
Deferred Inflows on Pension Related Amounts	3,005
Deferred Inflows on OPEB Related Amounts	2,948
Total Deferred Inflows of Resources	468,046
NET POSITION	
Net Investment in Capital Assets	942,356
Restricted for:	
Passenger Facility Charge Purposes	87,568
Customer Facility Charge Purposes	46,817
Other Purposes	2,285
Unrestricted	276,588
Total Net Position	$ 1,355,614

See accompanying notes to the financial statements.

Hillsborough County Aviation Authority

Statement of Revenues, Expenses and Changes in Net Position
Year Ended September 30, 2023
(In Thousands)

OPERATING REVENUES		
Passenger Airline Revenue	$	116,873
Parking		95,251
Rental Cars		51,695
Concessions		43,119
Commercial Rentals		12,962
Ground Transportation		7,977
Cargo		6,019
General Aviation		5,253
SkyCenter Revenue		3,199
Utilities Reimbursable and Others		1,876
Total Operating Revenues		344,224
OPERATING EXPENSES		
Personnel Compensation and Benefits		86,588
Contractual Maintenance		29,535
Contracted Services		27,095
Communications and Utilities		16,811
Pension Adjustment		13,483
Insurance		6,960
Supplies and Materials		5,537
SkyCenter Building Expenses		3,732
Other		2,149
Total Operating Expenses		191,890
Signatory Airline Net Revenue Sharing		4,564
Operating Income Before Depreciation and Amortization		147,770
DEPRECIATION		
Depreciation and Amortization		174,499
Right-to-Use Leases Amortization		1,940
Right-to-Use Subscription IT Amortization		2,530
Total Depreciation and Amortization		178,969
OPERATING LOSS		(31,199)

(Continued)

Hillsborough County Aviation Authority

Statement of Revenues, Expenses and Changes In Net Position (Continued)
Year Ended September 30, 2023
(In Thousands)

NONOPERATING REVENUES AND EXPENSES		
Interest Income	$	31,393
Lease Interest Income		11,161
Net Unrealized Investment Gain		2,960
Interest Expense		(68,752)
Loss on Disposal of Capital Assets		(1,087)
ARPA and CRRSA Act Airport Revenue		32,548
Total Nonoperating Revenues and Expenses		8,223
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS		(22,976)
CAPITAL CONTRIBUTIONS		
Passenger Facility Charges		45,855
Federal and State Grants		36,474
Federal Reimbursements		7,146
Customer Facility Charges – Net		28,135
Total Capital Contributions		117,610
CHANGE IN NET POSITION		94,634
Total Net Position – Beginning of Year		1,260,980
TOTAL NET POSITION – END OF YEAR	$	1,355,614

See accompanying notes to the financial statements.

Hillsborough County Aviation Authority

Statement of Cash Flows
Year Ended September 30, 2023
(In Thousands)

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Cash Receipts from Customers	$ 347,035
Cash Payments to Suppliers for Goods and Services	(111,232)
Cash Payments to Employees for Services	(67,201)
Net Cash Provided by Operating Activities	168,602
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Cash Proceeds from Federal ARPA and CRRSA Act Funds	32,548
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal Paid on Revenue Bond Maturities	(50,025)
Interest Paid on Revenue Bonds and Bank Notes	(74,260)
Acquisition and Construction of Capital Assets	(304,229)
Rental Car Customer Facility Charges	28,135
Federal and State Grants	31,578
Passenger Facility Charges	44,438
Net Cash Used by Capital and Related Financing Activities	(324,363)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of Investment Securities	(276,346)
Proceeds from Maturities of Investment Securities	551,291
Income Received on Investments	30,929
Net Cash Provided by Investing Activities	305,874
NET CHANGE IN CASH AND CASH EQUIVALENTS	182,661
Cash and Cash Equivalents – Beginning of year	290,654
CASH AND CASH EQUIVALENTS – END OF YEAR	$ 473,315

Reconciliation to Statement of Net Position:

Cash and Cash Equivalents – Unrestricted	$ 259,535
Cash and Cash Equivalents – Current Restricted	26,436
Cash and Cash Equivalents – Non Current Restricted	187,344
	$ 473,315

(Continued)

Hillsborough County Aviation Authority

Statement of Cash Flows (Continued)
Year Ended September 30, 2023
(In Thousands)

RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Loss	$ (31,199)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Adjustments for Lease Revenue and Expense	(799)
Depreciation and Amortization	174,499
Right-to-Use Lease Amortization	1,940
Right-to-Use IT Subscription Amortization	2,530
Increase in Accounts Receivable	(2,101)
Increase in Prepaid Insurance and Other Assets	(1,533)
Decrease in Accounts Payable – Trade	(769)
Decrease in Accrued Expenses	(274)
Increase in Other Liabilities	114
Increase in Pension and OPEB Related Liabilities	13,659
Increase in Leases Liabilities and Deferred Inflows	12,535
Net Cash Provided by Operating Activities	$ 168,602
Noncash Investing, Capital and Financing Activities:	
Unrealized Gain on Investments	$ 2,960
Amortization of Bond Premium – Net	$ 5,717
Amortization of Deferred Gain on Bond Refundings	$ (130)
Amortization of Deferred Loss on Bond Refundings	$ 2,575
Amortization of Deferred Inflows on Leases	$ (461,963)
Accounts Payable – Construction	$ (13,214)
Accrued Project Expenditures	$ (12,148)
Government Grant Receivable	$ 21,272
Lease Receivable	$ 475,547
Right-to-Use Lease Liability	$ (670)
Right-to-Use Subscription IT Liability	$ (6,076)

See accompanying notes to financial statements.

Note 1. General

Description: The Hillsborough County Aviation Authority (the Authority) was created in 1945 as an independent special district governed by the Hillsborough County Aviation Authority Act, Chapter 2003-370, Laws of Florida (the Act). The Act provides that the Authority has exclusive jurisdiction, control, supervision and management over all public airports within Hillsborough County. As such, the Authority is authorized to issue revenue bonds to finance the construction of aviation-related projects. Revenue bonds issued by the Authority are payable solely from revenues of the Authority and are not obligations of the City of Tampa, Hillsborough County or the State of Florida. Pursuant to the general laws of Florida, the Authority owns and operates Tampa International Airport (the Airport), and three general aviation airports, including Peter O. Knight, Plant City and Tampa Executive (collectively, the Airport System).

Basis of Presentation: The Authority operates the Airport System as a single enterprise fund with multiple cost centers to account for the costs of services. Costs are recovered in the form of charges to users for such services.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The Authority's financial statements are presented in accordance with accounting principles generally accepted in the United States (GAAP) for governmental entities as promulgated by the Governmental Accounting Standards Board (GASB). The accompanying financial statements are reported on the accrual basis of accounting, under which revenues are recognized when earned and expenses are recognized when incurred.

Cash and cash equivalents: The Authority classifies investments in short-term repurchase agreements and investments with original maturities of three months or less from the date of purchase as cash equivalents.

Investments: The Authority's investments are reported at fair value using quoted market price or other fair value techniques as required by GASB Statement No. 72, *Fair Value Measurements* (GASB 72). Interest and dividends are recognized when earned, realized gains and losses when sales occur and unrealized gain or loss based on the change in fair value between reporting periods.

Restricted assets and liabilities: The trust agreement governing the Authority's revenue bonds (Trust Agreement) requires the segregation of certain assets into restricted accounts and limits their use to specific items as defined by the document. Current liabilities payable from restricted assets are the liabilities that are to be retired by the use of restricted assets. Unliquidated cash balances resulting from collections of passenger facility charges (PFC) and rental car facility charges (CFC) are also reported as restricted assets as their use is legally restricted.

Net position flow assumptions: In certain cases, the Authority may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts reported as restricted net position and unrestricted net position, a flow assumption must be made about the order in which resources are considered to be applied. It is the Authority's policy to consider restricted resources to have been depleted before unrestricted resources.

Accounts receivable: Management considers the need for an allowance for doubtful accounts based on the expected collectability of outstanding balances. No allowance of bad debt has been considered necessary for fiscal year 2023.

Note 2. Summary of Significant Accounting Policies (Continued)

Leases and Subscription-Based Information Technology Arrangements (SBITAs): The Authority has lessor and lessee leases, as well as Subscription IT agreements.

i) Lessor

The Authority has entered into various leases with the tenants for the use of property, space and facilities at the Airport. Among these properties are the concession areas, restaurants and lounges, terminal areas, airsides, rental car areas and commercial area rentals. For certain regulated leases and short-term leases, the Authority recognizes rental income based on the provisions of the lease agreement in the statement of revenues, expenses and changes in net position. For all other leases, the Authority recognizes a lease receivable and a deferred inflow of resources in the Statement of Net Position.

The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources is measured as the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods. Lease receivable is reduced as payments are received, applying principal against receivable and interest to revenue based on the amortization schedule. Deferred inflow is recognized as revenue on a straight-line basis over the life of the lease term.

The Authority uses the following estimates and judgments to measure the leases:

- Discount Rate: The Authority uses its incremental bonds borrowing rate to discount the expected lease receipts to present value based on the term of the leases.

- Lease Term: The lease term includes the non-cancelable lease period, plus: 1) periods for which the Authority has a unilateral option to extend and is reasonablely certain to exercise such option, or 2) periods after an optional termination date if the Authority is reasonably certain not to exercise the termination option.

- Lease Receipts: Measurement of the lease receivable includes fixed payments, and as applicable, variable fixed in substance payments, residual value guarantee payments that are fixed in substance, and any lease incentives credited to the lessor.

ii) Lessee/Buyer

The Authority is a lessee for various leases of buses, equipments and other assets. The Authority also is a buyer of noncancellable subscription-based information technology arrangements (SBITAs) for the right-to-use information technology hardware and software. For leases and SBITAs with a maximum possible term of 12 months or less at commencement (short-term), the Authority recognizes expense based on the provisions of the lease agreement or SBITAs in the statement of revenues, expenses, and changes in net position. For all other leases and SBITAs, the Authority recognizes a lease liability or subscription IT software liability, respectively, and a right-to-use lease or subscription IT asset, respectively, in the statement of net position.

Measurement of Lease Amounts

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term.

Note 2. Summary of Significant Accounting Policies (Continued)

Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured at the amount of the lease liability, less lease payments made on or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the leased asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. A full month of amortization is calculated in the month the leased asset is placed in service. If the Authority is reasonably certain of exercising a purchase option contained in a lease, the leased asset is amortized over the useful life of the underlying asset. The leased asset activity is included in Note 6.

Measurement of Subscription IT Amounts

At subscription commencement, the Authority initially measures the subscription IT liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription IT liability is reduced by the principal portion of subscription payments made. The subscription IT asset is initially measured as the initial amount of the subscription IT liability, less subscription payments made at or before the subscription commencement date, less any vendor incentives received at or before the subscription commencement date, plus the capitalizable implementation costs. Subsequently, the subscription IT asset is amortized into right-to-use amortization expense on a straight-line basis over the shorter of the subscription term or the useful life of the underlying hardware or software.

The Authority uses the following estimates and judgments to measure the leases and SBITA contracts:

- Discount rate: The Authority uses its incremental bonds borrowing rate to discount the expected lease receipts to present value based on the term of the leases.

- Lease or subscription term: The lease or subscription term includes the noncancelable period of the lease or SBITA, plus periods covered by either an Authority or lessor/vendor unilateral option to 1) extend when it is reasonably certain to be exercised, or 2) terminate when it is reasonably certain not to be exercised. Periods in which the Authority and the lessor/vendor have an option to terminate or those that are covered by a bilateral option, where both parties must agree, are excluded from the lease or subscription term.

- Lease or subscription payments: Lease or subscription payments included in the measurement of the lease or SBITA liability are composed of fixed payments and purchase option prices that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that may require a remeasurement of a lease or SBITAs arrangement for lessor, lessee and buyer of IT subscriptions. When certain changes occur that are expected to significantly affect the amount of the lease receivable, or lease/SBITAs liability, the receivable or liability is remeasured, and a corresponding adjustment is made to the deferred inflows of resources for leasing transactions. Similarly a corresponding adjustment is made to the leased or SBITAs asset.

Note 2. Summary of Significant Accounting Policies (Continued)

Grants: Grants received from federal and state governmental agencies that are restricted for the acquisition or construction of capital assets are recognized as capital contributions when eligibility requirements are met. Eligibility requirements are typically met when costs relating to such capital assets, which are reimbursable under the terms of the grants, have been incurred. Depreciation on assets acquired or constructed with government grant monies is included in depreciation and amortization in the accompanying statement of revenues, expenses and changes in net position. Funds received from the Federal Aviation Administration (FAA) and the Transportation Security Administration (TSA) that are used to partially offset security costs for the implementation of federally mandated security requirements and other related operating and maintenance costs are recorded separately from capital grants and are included as federal reimbursements in operating revenues in the statement of revenue, expenses and changes in net position.

The Coronavirus Response and Relief Supplemental Appropriation (CRRSA) Act, signed into law on December 27, 2020, includes nearly $2 billion in funds to be awarded as economic relief to eligible U.S. airports and eligible concessions at those airports to prevent, prepare for, and respond to the Coronavirus Pandemic.

Further federal relief was provided by the American Rescue Plan Act (ARPA) that was signed into law on March 11, 2021, which includes $8 billion in emergency relief to U.S. airports. The Authority received $33.1 million ARPA funds, of which $537 million was distributed to the Airport's concessionaire during fiscal year 2023.

The GASB issued Technical Bulletin 2020-1, which clarifies the presentation of certain inflows of CARES Act resources and additional unplanned outflows of resources incurred in response to coronavirus. The GASB requires the Authority to report the CARES, CRRSA and ARPA Acts funds received as non-operating revenues in the accompanying statement of revenues, expenses and changes in net position.

PFCs: PFCs are imposed at $4.50 per enplaned passenger, of which the Authority receives $4.39. The remitting airline retains $0.11 for administrative processing costs. PFCs are restricted for use on projects pre-approved by the FAA. PFCs are reported as capital contributions in the accompanying statement of revenues, expenses and changes in net position.

CFCs: CFCs are collected at $5.95 per transaction day for current on-airport companies. In accordance with the CFC trust agreement, funds collected from the CFC trust agreement are to be used to: (1) fund a sinking fund for the payment of CFC revenue bonds, (2) fund a reserve fund for CFC revenue bonds, (3) pay other costs associated with the administration of the CFC revenue bonds, (4) to reimburse the Authority for its share of the operating and maintenance expenses of the automated people mover (APM), the debt service for bonds previously issued by the Authority, recovery of the Authority's costs of self-funded projects that were part of the Consolidated Rental Car Center (RCC), and (5) to fund a renewals and replacement fund for modifications, repairs and replacement of the RCC and APM.

If unliquidated CFC funds remain after the funding of the above eligible items, remaining funds shall be used to: (1) reimburse concessionaires up to 50% of the common area maintenance costs of the RCC, (2) reimburse the Authority for rental revenue recovery, and (3) held in surplus and used at the Authority's sole discretion for expansion and improvements of the RCC and other related capital projects. CFCs are reported as capital contributions in the accompanying statement of revenues, expenses and changes in net position.

Note 2. Summary of Significant Accounting Policies (Continued)

Debt insurance costs, bond discounts and premiums: Debt insurance costs and bonds refunding deferred gain or loss are amortized using the declining balance method over the life of the issue. Bonds premiums and discounts are amortized using effective interest method in accordance with the GASB requirements. Debt issue costs other than insurance costs are expensed.

Interest costs: The Authority has expensed construction related interest costs as incurred. All interest cost incurred is reported as non-operating expense.

Capital assets: Capital assets are recorded at cost and are depreciated using the straight-line method over their estimated useful lives as follows:

	Years
Structures and improvements	10-40
Runways, taxiways and aprons	10-30
Equipment, furniture and fixtures	3-15
Right-to-use leased equipment	3-7
Right-to-use IT subscription	2-40

On an annual basis, the Authority evaluates the useful lives of capital assets, and writes off net capitalized costs of assets with no estimated service utility in depreciation and amortization in the accompanying statement of revenues, expenses and changes in net position.

The Authority's Management periodically reviews its capital assets and considers impairment whenever indicators of impairment are present, such as when the decline in service utility of the capital asset is large in magnitude and the event or change in circumstance is outside the normal life cycle of the capital asset. No impairment on the Authority's capital assets have been recognized during the year ended September 30, 2023.

Compensated absences: Employees accrue annual leave in varying amounts are based upon length of service, hire date and work schedule per pay period. As of the last payday of the fiscal year, all leave remaining in excess of 256 hours (Police 269), can be purchased by the Authority up to 120 hours (Police 126 hours).

Other post-employment benefits (OPEB): The Authority obtains actuarial valuation reports for its postemployment benefit plan (other than pensions) and records the OPEB liability as required under GASB Statement No. 75, *Accounting and Financial Reporting for Post Employment Benefits Other Than Pensions* (GASB 75). Disclosure information required by GASB 75 is found in Note 12.

Pensions: In the statement of net position, liabilities are recognized for the Authority's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) Defined Benefit Plan and the Health Insurance Subsidy (HIS) and additions to/deductions from FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, plan contributions are recognized as of employer payroll paid dates.

Deferred outflows/inflows of resources: This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority reports amounts related to deferred losses on refunding of debt, pension and OPEB, in this section.

Note 2. Summary of Significant Accounting Policies (Continued)

Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority reports amounts related to deferred gains on refunding of debt, pension, OPEB and leases in this section.

Operating revenues and expenses: Operating revenues and expenses for enterprise funds are those that result from providing services and producing and delivering goods. It also includes all revenue and expenses not related to capital and financing, noncapital financing or investing activities.

Rentals and concession fees are generated from airlines, parking structures and lots, rental cars, fixed based operators, food and beverage, retail, advertising and other commercial tenants. Airline revenues are determined through the airlines rates, fees and charges that are based on the cost recovery rate making methodology calculation, pursuant to the Rate by Resolution. Leases are typically for terms from one or more years and generally require rental payments based on the volume of business, with specific minimum annual rental payments required. Rental revenue is recognized on a straight-line basis over the life of the respective leases, and concession revenue is recognized based on the greater of a percentage of reported concessions gross receipts activity or minimum annual guarantee (privilege fee) as well as a fixed premise and support space rental. Rental and concession revenues are recognized as operating revenue in the statement of revenues, expenses and changes in net position.

Non-operating revenues and expenses: Non-operating revenues and expenses represent revenue and expense items that are not incurred from the normal user activity of the Authority. This classification includes interest earned on bank accounts, lease interest income, unrealized gain or loss on investments, and interest paid on debt service.

Capital contributions: Capital contributions consist primarily of grants and contributions from federal and state governmental agencies, PFCs and rental CFCs, as well as other contributions pertaining to acquisition of assets. Capital contributions resulting from grants are recognized as related project costs are incurred.

Revenue classifications: The components of the major operating revenue classifications are as follows:

Passenger Airline Fees – Fees for passenger aircraft landing, airline space rentals, bag handling, passenger transfer system, gate uses.

Parking – Automobile parking fees.

Rental Cars – Rent-a-car privilege fees and space rental,

Concessions – Privilege fees for the operation of terminal and airsides complex concessions of food and beverage, general merchandise, duty-free store, hotel and other miscellaneous fees.

Commercial Rentals – Fees from aviation supporting facilities provided to tenants, rentals from non-aviation properties, including commercial real estate rentals, maintenance hangar and fuel farm.

Ground Transportation – Privilege and per-trip fees of limousine/cab and transportation network companies.

Cargo – Cargo space rentals, apron rentals and other grounds rental.

Note 2. Summary of Significant Accounting Policies (Continued)

General Aviation – Fees from services for general aviation activities at Tampa International Airport and three auxiliary airports.

SkyCenter – Fees from non-aviation commercial office building rentals.

Utilities Reimbursable and Others – Reimbursements for utilities, insurance, fingerprinting services, other Operating and Maintenance expenses, and Fees from other rentals and miscellaneous incomes, including forfeiture income, sales of surplus assets, operating grants from the federal government for reimbursing securities at the Airport, as well as lease adjustments resulting from the adption of GASB 87.

Recently adopted accounting pronouncements: GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements (GASB 94) was issued in March 2020, and is effective for the Authority in fiscal year 2023. This Statement addresses issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate oruse a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The Authority currently does not have any agreements that meet the definition of a PPP. Therefore, the Statement No. 94 does not apply to the Authority's financial statements.

GASB Statement No. 96, *Subscription – Based Information Technology Arrangements* was issued in May 2020, and is effective for the Authority in fiscal year 2023. This Statement provides guidance on the accounting and financial reporting for SBITAs for government end users. This Statement: (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in GASB 87, as amended. The Authority implemented this statement in fiscal year 2023. The adoption of the standard had a material impact on the financial statements of the Authority (see Note 5, 6 and 16 for details).

GASB Statement No. 99, *Omnibus 2022*, was issued in April 2022, and is effective for the Authority in fiscal year 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing: (1) practice issues that have been identified during implementation and application of certain GASB Statements, and (2) accounting and financial reporting for financial guarantees. The adoption of this statement does not have a material impact on the Authority's financial statements.

Recent accounting pronouncements: GASB Statement No. 100, *Accounting Changes and Error Corrections—An Amendment of GASB Statement No. 62* was issued in June 2022, and will be effective for the Authority in fiscal year 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. Management does not expect an material impact of adopting this standard on the Authority's financial statements.

Note 2. Summary of Significant Accounting Policies (Continued)

GASB Statement No. 101, *Compensated Absences* was issued in June 2022, and will be effective for the Authority in fiscal year 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management will evaluate the impact of this standard to the Authority's financial statements.

GASB Statement No. 102, *Certain Risk Disclosures*, was issued in December 2023, and will be effective for the Authority in fiscal year 2025. This Statement requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. Management does not expect an material impact of adopting this standard on the Authority's financial statements.

Note 3. Rate Making Policy

The Trust Agreement states the Authority, not taking into consideration any money received from federal and state grants, PFCs, CFCs, ad valorem taxes and certain other monies, will fix and establish or revise, as needed, rental rates and other charges for use of the services and facilities of the Airport System, which will be sufficient in each fiscal year to make payments and deposits, as required under the Trust Agreement. Currently, all bonds, excluding bonds payable from CFC collections, and outstanding debt of the Authority are issued under the Trust Agreement, and these covenants are reiterated in each official statement of bonds issued.

Effective October 1, 2020, the Authority approved the Tampa International Airport Airlines Rates, Fees and Charges Resolution (Resolution). The Airline Agreement and the Resolution incorporates the lease and use of the terminal building, Airsides A, C, E, F, any future airside buildings and the airfield at the Tampa International Airport. The Airline Agreement established a compensatory rate-making methodology where the airlines pay the Authority fees and charges based on the Authority's cost of providing facilities and services. The costs to be allocated to the Airlines include operating and maintenance expenditures, debt service, debt service coverage of 25%, Trust Fund minimum deposit requirements, and a return on investment for Authority funds used for capital projects. They also provide the Signatory Airlines with a net revenue sharing provision. The Resolution established a cost-recovery rate-making methodology with certain residual components at the airport along with one-year space rental agreements. Those carriers with space rental agreements are considered Signatory carriers.

As mentioned above, there is a revenue sharing provision for the Signatory Airlines of the net remaining revenues after the funding of operating expenses, debt service, Authority funded-capital, and a minimum $10 million deposit to surplus for 10% of the proportional share of certain revenues as a percentage of the total revenues of the net remaining revenues. The amount shared under this provision for the year ended September 30, 2023 was $4.56 million. The net revenue sharing is presented as a separate item after operating expenses on the statement of revenues, expenses and changes in net position. Depreciation and amortization is excluded from the rate making process.

Note 4. Cash and Cash Equivalents and Investments

Included in the Authority's cash balances are amounts deposited with commercial banks in interest bearing demand accounts. Each of these banks has been designated as a Qualified Public Depository by the State of Florida and participated in the State Collateral Pool (Pool). The Pool is a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails. Required collateral is defined under Chapter 280 of the Florida Statutes, Security for Public Deposits Act (the Public Deposit Act). Under the Public Deposit Act, the Authority's deposits in qualified public depositories are considered fully insured. The qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125%, may be required, if deemed necessary under the conditions set forth in the Public Deposit Act. Obligations pledged to secure deposits must be delivered to the State Treasurer or, with the approval of the State Treasurer, to a bank, savings association or trust company, provided a power of attorney is delivered to the State Treasurer.

During fiscal year 2023, the Authority invested in the investment pools, including Florida Prime administered (Prime) by the Florida State Board of Administration (SBA), The Florida Cooperative Liquid Assets Securities System (FLCLASS), and Florida Government Investment Trust (FLGIT), which are allowed under its investment policy. Included in cash equivalents are deposits in these three investment pools. Florida Prime, FLCLASS, and FLGIT are similar to money market funds in which units are owned in the fund rather than the underlying investments. These investments are reported at amortized cost and meet the requirements of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* as amended by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. As of September 30, 2023, the Authority has a total balance of $310.4 million in the investment pools.

At September 30, 2023, cash, cash equivalents and investments (in thousands), were as follows:

U.S. Treasury Securities	$ 323,450
Certificate Deposit	772
Federal Home Loan Banks Note	25,815
Investments Subtotal	350,037
Cash in Deposit Accounts	473,315
Total Cash and Cash Equivalents and Investments	$ 823,352
Reconciliation to Statement of Net Position:	
Cash and Cash Equivalents – Unrestricted	$ 259,535
Cash and Cash Equivalents – Restricted	213,780
Investments – Unrestricted	77,225
Investments – Restricted	272,812
Total Cash and Cash Equivalents and Investments	$ 823,352

The Authority is authorized to invest in securities as described in its investment policy and the Trust Agreement. The authorized investments are allowable under Florida Statute 218.415.

Note 4. Cash and Cash Equivalents and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that investments will lose value due to rising interest rates. The Authority's investment policy is designed to limit its exposure to interest rate risk is that the investments of current operating funds are placed to maturities less than one year. The Authority's investment policy also requires the investment portfolio to be structured to provide sufficient liquidity to pay obligations as they come due. To the extent possible, investment maturities are matched with known cash needs and anticipated cash flow requirements. Investments of other non-operating funds will have terms appropriate to the needs for funds. Additionally, maturity limitations for investments related to the issuance of debt are outlined in the Trust Agreement.

As of September 30, 2023, the Authority held the following investments (in thousands) as categorized below in accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures.*

	Investment Maturities				
	Less Than 1 Year	1 to 5 Years	6 to 10 Years	11 to 15 Years	Total
Investment Type:					
U.S. Treasury Securities	$ 220,363	$ 74,714	$ 28,373	$ -	$ 323,450
Federal Home Loan Banks Note	25,815	-	-	-	25,815
Total	$ 246,178	$ 74,714	$ 28,373	$ -	$ 349,265

Credit Risk

Credit risk is the risk that a security or portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of rating by a nationally recognized statistical rating organization. The Authority's Treasury Banking and Investment Policy P450 governs the Authority's investment strategy. In general, the policy's goal is to apply the prudent person rule: investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would make, not for speculation, but for investment, considering the probable safety of the principal as well as the probable income to be derived. The Authority's policy requires the purchase of certain investments to specific rating requirements. Investments held in obligations of U.S. government agencies were rated AAA by Fitch, Aaa by Moody's and AA+ by S&P. Funds invested in the Florida Prime and FLCLASS are rated AAAm by S&P. Funds invested with the FLGIT are rated AAAm by Fitch. The Fdederal Home Loan Banks' (FHL) debt securities (also known as consolidated obligations) are rated by both S&P Global Ratings (S&P) and Moody's Investors Service (Moody's). All long-term consolidated obligations issued by the FHL Banks are rated AA+ by S&P and Aaa by Moody's.

Custodial Credit Risk

The Authority's funds are held in bank deposits insured by the FDIC, U.S. Treasuries, investments collateralized by U.S. Treasuries, Federal Home Loan Bank Note and certificates of deposit. Investments are held in the name of the Authority. The Authority's banking and investment policy states that assets will be diversified to control the risk of loss.

Note 4. Cash and Cash Equivalents and Investments (Continued)

Fair Value Measurement

The Authority categorizes its fair value measurements within the fair value hierarchy established by GASB 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets that a government can access at the measurement date; Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the assets either directly or indirectly; Level 3 inputs are significant unobservable inputs.

The Authority has the following recurring fair value measurements as of September 30, 2023:

- U.S. Treasury securities of $323.5 million are valued using bank quoted market prices (Level 1 inputs).

- Federal Home Loan Banks Note of $25.8 million are valued using bank quoted market prices (Level 2 inputs).

Note 5. Restricted Assets

The Trust Agreement, among other things, requires all airport revenues, excluding PFCs, CFCs, grants, bond proceeds and their earnings, and revenues from certain non-trust funded projects, be deposited in the Revenue Fund, the establishment of certain trust accounts, and defines the priority and flow of cash receipts. Certain of these trust accounts require specified balances and are restricted as to use. Bond proceeds issued for construction are held by a trustee appointed by the Authority per the bond trust agreements. Debt Service and Debt Reserve accounts are held by a trustee designated by the Trust Agreement and are pledged as collateral for debt service. A summary of the balances (in thousands) in these accounts as of September 30, 2023, is as follows:

Restricted for Debt Service:	
Bond Principal, Interest and Redemption Sinking Fund	$ 1,787
Bond Reserve Fund	133,075
Restricted to Acquisition of Property and Equipment:	
Construction and Equipment Funds	209,960
	344,822
Other Restricted Funds:	
Escrow and Forfeiture Deposits	486
Certificate Deposit for Owner Controlled Insurance Program Collateral	772
Passenger Facility Charges	100,148
Rental Car Customer Facility Charges	46,817
	148,223
Total Restricted Assets	$ 493,045

The PFCs and CFCs reported in the above table are gross amounts collected or expected to be collected from passenger airlines and rental car customers.

Note 6. Leases and Subscription IT Arrangements

a) Lessor

The Authority has entered into various leases with the tenants for the use of property, space and facilities at the Airport. Among these properties are the concession areas, restaurants and lounges, stores, terminal areas, airsides and rental car areas, as well as non-aviation related commercial rentals. For the purpose of the GASB 87 implementation, the Lessor Airport leases have been categorized as Follows:

- GASB 87 Leases – Included
- GASB 87 Leases – Excluded – Regulated Leases
- GASB 87 Leases – Excluded – Short-Term Leases

<u>GASB 87 Leases – Included</u>

In accordance with GASB 87, the Authority recognizes a lease receivable and a deferred inflow of resources for leases that the Authority categorizes as GASB 87 – Included leases. In fiscal year 2023, a total of forty-nine (49) leases were identified as GASB 87 – Included leases, which are classified into six groups based on their business functions. They are Rental Car Concessions (Nine), Food and Beverage Concessions (Six), General Merchandise Concessions (Five), Hotel (One), Commercial Real Estate leases (Nineteen) and Other Concessions (Nine). The incremental bonds borrowing rates up to 3.82% based on the term of the leases are used to discount the expected lease receipts to present value. In March 2023, the Authority purchased the SkyCenter building and leased out the office spaces to various commercial business tenants. Therefore, the prior year office building lease agreement that was grouped within commercial real estate category was terminated, resulting in lease receivable and deferred inflows decreases of $2.63 million and $2.56 million, respectively. A new lease category, SkyCenter is added to include ten commercial leases commenced after the ownership of the building reverted to the Authority. Other additions include one new agreement in both food and beverage and other concessions, respectively.

GASB 87 lease activity for the year ended September 30 (in thousands), is presented as follows:

	Lease Receivable (PV) Beginning Balance October 1, 2023	Lease Additions	Lease Termination	Implied Interest Income	Receivable Reduction	Lease Receivable (PV) Ending Balance September 30, 2023	Current Portion Lease Receivable
Rental Car	$ 192,194	$ -	$ -	$ 3,630	$ (30,279)	$ 161,915	$ 30,937
Commercial Real Estate	97,802	-	(2,631)	2,633	(5,006)	90,165	4,495
SkyCenter	-	73,582	-	1,041	(1,375)	72,207	2,582
Food and Beverage Concessions	87,365	419	-	1,798	(9,274)	78,510	9,717
General Merchandise Concessions	41,988	-	-	856	(4,690)	37,298	4,903
Hotel Concessions	21,637	-	-	776	(688)	20,949	713
Other Concessions	15,664	2,026	-	427	(3,187)	14,503	2,786
Total	$ 456,650	$ 76,027	$ (2,631)	$ 11,161	$ (54,499)	$ 475,547	$ 56,133

The Authority reported lease receivable addition of $76 million, reduction of $54.5 million, respectively, and interest income of $11.2 million related to the lease payments in FY2023.

At September 30, 2023, lease receivable is $56.1 million and $419.4 million for current and non-current assets, respectively.

Note 6. Leases and Subscription IT Arrangements (Continued)

The Authority reported deferred inflows increase of $76.0 million during fiscal year 2023 as a result of the new lease additions, and recognized lease revenues of $60.9 million as of September 30, 2023. These GASB 87 – included leases (in thousands) are summarized below:

	Deferred Inflows Beginning Balance October 1, 2022	Lease Additions	Lease Termination	Deferred Revenue Recognized	Deferred Inflows Ending Balance September 30, 2023
Rental Car	$ 189,996	$ -	$ -	$ 31,692	$ 158,304
Food and Beverage Concessions	85,570	419	-	10,663	75,326
General Merchandise Concessions	41,129	-	-	5,342	35,787
Hotel Concessions	21,298	-	-	1,002	20,296
Commercial Real Estate Leases	96,121	-	(2,567)	6,573	86,981
Skycenter	-	73,582	-	2,213	71,369
Other Concessions	15,314	2,026	-	3,440	13,900
Total	$ 449,428	$ 76,027	$ (2,567)	$ 60,925	$ 461,963

GASB 87 Leases – Excluded – Regulated Leases and Short-Term Leases

In accordance with GASB 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for regulated leases and short-term leases. Regulated leases are certain leases that are subject to external laws, regulations or legal rulings, e.g., the U.S. Department of Transportatin and the Federal Aviation Administration, regulated aviation leases between airports and air carriers and other aeronautical users. The Authority includes commercial air carrier agreements, general aviation hangars and Fixed Base Operator (FBO) contracts as regulated leases. Short-term leases are certain leases that, at the commencement of the lease term, have a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability.

Future minimum leases payments for regulated leases and short-term leases (in thousands) are as follows:

2024	$ 44,575
2025	9,841
2026	8,601
2027	8,517
2028	6,076
2029-2033	19,945
2034-2038	6,601
2039-2042	837
	$ 104,993

b) Lessee and Subscription IT Arrangements

The Authority is a lessee for various leased vehicles, equipment and other assets. As mentioned in lessor section, the Authority purchased the SkyCenter building in March 2023, resulting in a net right to use leased asset decrease of $20.1 million.

A total of fifteen right-to- use SBITA assets is identified for the year ended September 30, 2023. These include long-term financial and operating software agreements. Terms are fixed and there are no variable payments.

Note 6. Leases and Subscription IT Arrangements (Continued)

Right-to-use leased assets and right-to-use subscription IT assets activity for the year ended September 30, 2023, are as follows (in thousands):

	(As Restated) October 1, 2022	Additions	Deductions	September 30, 2023
Right-to-Use Leased Assets:				
Buildings	$ 23,431	$ -	$ (23,431)	$ -
Buses	876	-	(29)	847
Equipment	57	-	(2)	55
Other-Décor	195	-	(8)	187
Total Right-to-Use Leased Assets	24,559	-	(23,470)	1,089
Less Accumulated Amortization for:				
Leased Buildings	3,347	1,674	(5,021)	-
Leased Buses	109	208	-	317
Equipment	4	14	-	18
Other-Décor	48	44	-	92
Total Accumulated Amortization	3,508	1,940	(5,021)	427
Total Leased Assets, Net:	$ 21,051	$ (1,940)	$ (18,449)	$ 662
Right-to-Use Subscription IT Assets	$ 6,070	$ 2,580	$ -	$ 8,650
Less: Accumulated Amortization	-	2,530	-	2,530
Right-to-Use Subscription IT Assets, Net	6,070	50	-	6,120
Total Right-to-Use Leased Assets and Right-to-Use Subscription IT Assets, Net	$ 27,121	$ (1,890)	$ (18,449)	$ 6,782

Note 7. Capital Assets

Capital asset activity for the year ended September 30 (in thousands), is summarized as follows:

	Balance October 1, 2022	Additions and Reclasses	Deletions and Reclasses	Balance September 30, 2023
Land	$ 217,354	$ -	$ -	$ 217,354
Construction in Progress	201,475	302,282	(245,190)	258,567
Equipment	80,085	5,027	(7,273)	77,839
Buildings and Improvements	3,520,495	251,301	(13,137)	3,758,659
	4,019,409	558,610	(265,600)	4,312,419
Less Accumulated Depreciation:				
Equipment	(56,012)	(8,592)	7,271	(57,333)
Buildings and Improvements	(1,732,657)	(165,907)	12,046	(1,886,518)
	(1,788,669)	(174,499)	19,317	(1,943,851)
Total Capital Assets – Net	$ 2,230,740	$ 384,111	$ (246,283)	$ 2,368,568

Note 8. Debt and Other Non-Current Liabilities

Revenue Bonds

All senior revenue bonds issued by the Authority under the terms of the Senior Trust Agreement and supplements thereto are on parity with all outstanding senior revenue bonds. Senior revenue bonds are payable solely from revenues, as defined in the Senior Trust Agreement, after the payment of the cost of operation and maintenance expenses.

Subordinated bonds are issued by the Authority under Subordinated Trust Agreement and feature a pledge of PFC revenues backed by general airport revenues. Subordinated bonds are issued on equal parity with outstanding subordinated bonds. CFC bonds are issued under the CFC Trust Agreement with an exclusive pledge of CFC revenues derived from rental car transaction fees.

During the year ended September 30, 2023, serial revenue bonds in the amounts of $50.025 million were redeemed. Total interest costs incurred on outstanding bonds during the year ended September 30, 2023 were $74.1 million.

On November 16, 2021, the Authority issued the Tampa International Airport Senior Revenue Refunding Bonds 2021 Series A, in the principal amount of $31.4 million, at a rate of 1.140%, and maturities from 2025 to 2027.

The 2021A Senior Bonds issue proceeds of $31.4 million were used to refund the 2018 Series D Bonds in the amount of $31.32 million, maturing October 1, 2022 to October 1, 2038, less issuance cost of $80,400. In addition, accrued interest expense of $133,110 for the 2018 Series D Bonds was paid at the refunding.

On March 9, 2022, the Authority issued the Tampa International Airport Senior Revenue Bonds 2022 Series A, and Series B, in the amounts of $263.76 million and $111.39 million, respectively. The 2022 Series A and B Senior Bonds were issued at a rate ranging from 4.0% to 5.0% with maturities from 2023 to 2052.

The 2022 Series A and Series B Bonds with total proceeds of $301.87 million (including a premium of $38.11 million) and $130.19 million (including a premium of $18.8 million), respectively, were used to: (i) finance a portion of the cost of the 2022 projects, (ii) repay the amount of $106.3 million bank note under the Revolving Credit Agreement with Truist Bank and STI Institutional and Government, Inc., (iii) fund the deposit of $21.93 million and $9.46 million, respectively, in the common Senior Reserve Account, and (iv) pay the cost of issuance of $1.24 million and $.54 million, respectively.

On March 9, 2022, the Authority issued the Tampa International Airport Taxable Subordinated Revenue Refunding Bonds 2022 Series A, in the amounts of $348.105 million. The Subordinated 2022A Bonds were issued at a rate ranging from 1.835% to 3.858% with maturities from 2024 to 2044.

Note 8. Debt and Other Non-Current Liabilities (Continued)

The Subordinated 2022A Bonds with total proceeds of $379.5 (including senior debt service funds and subordinated debt service funds transferred in the amounts of $31.4 million) were used for the taxable advanced refundings for 2013A Subordinated Bonds in the amount of $84.23 million, 2015A and 2015B Subordinated Bonds in the amount of $19.59 million and $153.92 million, respectively, and 2015A Senior Revenue Bonds in the amount of $59.63; fund the deposit of $29.28 million in the Common Senior Reserve Account, and pay the cost of issuance of $1.51 million. These refunded bonds will be redeemed on October 1, 2023, and October 1, 2024, respectively. The funds held in the refunded bonds escrow accounts will be used only to pay the principal of and accrued interest on the applicable Series of Refunded Bonds Redemption Date. In addition, a total accrued interest expense of $8.05 million for the 2013A Subordinated Bonds, 2015A Senior Bonds, and 2015A and 2015B Subordinated Bonds were paid at the advanced refundings.

The total principal maturities and debt service requirements for all revenue bonds through the year 2052, as of September 30 (in thousands), are as follows:

Years Ending September 30:	Principal	Interest	Total Debt Service
2024	$ 51,690	$ 67,047	$ 118,737
2025	60,812	68,829	129,641
2026	67,547	68,357	135,904
2027	81,547	66,022	147,569
2028	56,130	62,886	119,016
2029-2033	277,735	282,499	560,234
2034-2038	262,595	225,499	488,094
2039-2043	366,370	156,289	522,659
2044-2048	372,234	68,858	441,092
2049-2052	72,060	7,348	79,408
	$ 1,668,720	$ 1,073,634	$ 2,742,354

Note 8. Debt and Other Non-Current Liabilities (Continued)

Revenue bond information and activity as of and for the years ended September 30 (in thousands), is presented below. All principal payments are due October 1, while interest on the fixed rate bonds is due semiannually on April 1 and October 1. Since all debt service payments required under the Trust Agreement are deposited with the Trustee as of September 1, it is the Authority's policy to record the October 1 principal and interest payments as of the close of business on September 30.

			Bonds Payable at September 30	
	Issuance Amount	Interest Rates	Serial Bonds	Maturing in Fiscal Year
Revenue and Revenue Refunding Bonds:				
2015A Senior	148,210	5.00%	88,585	2027 – 2044
2017A Senior	54,665	2.56%	54,665	2028 – 2031
2018B Senior	32,175	2.57%	32,175	2024 – 2028
2018C Senior	26,665	3.25%	26,665	2029 – 2033
2018E Senior	140,120	5.00%	128,110	2024 – 2048
2018F Senior	160,855	5.00%	146,725	2024 – 2048
2021A Senior	31,400	1.14%	31,400	2025 – 2027
2022A Senior	263,760	4.00% – 5.00%	263,045	2024 – 2052
2022B Senior	111,390	4.00% – 5.00%	111,080	2024 – 2052
Subtotal Senior Bonds	969,240		882,450	
2018A PFC Subordinated	102,500	5.00%	102,500	2031 – 2048
2022A PFC Subordinated	348,105	2.036% – 3.858%	344,800	
Subtotal PFC Subordinated Bonds	450,605		447,300	
2015A CFC	88,975	5.00%	88,975	2041 – 2044
2015B CFC	294,350	3.901% – 5.25%	249,995	2024 – 2041
Subtotal CFC Bonds	383,325		338,970	
Total Bonds	$ 1,803,170		1,668,720	
Unamortized Bond Premium – Net			97,734	
Total Revenue Bonds Payable			1,766,454	
Less Current Portion of Bonds Payable			(51,690)	
Long-Term Portion of Bonds Payable			$ 1,714,764	

Note 8. Debt and Other Non-Current Liabilities (Continued)

Authority rate covenants under the Trust Agreement require that revenues in each fiscal year will be sufficient to pay all amounts required to be deposited in Reserve Fund, the Operation and Maintenance Fund and the Operating Reserve Fund and 125% of the annual debt service requirement for the senior lien bonds. The debt coverage is calculated at the end of fiscal year to determine the ratio, which must exceed a 1.25 times coverage requirement. As allowed under the Trust Agreement, the Authority utilized $33 million the ARPA Act funding to offset operating expenses in support of senior debt service coverage in fiscal year 2023, respectively. As a result, the senior debt service coverage ratio was 4.25 in 2023.

Rate covenants under the Subordinated Trust Agreement are a two part test. First, net revenues after the payment of senior lien debt plus pledged PFCs must equal at least 125% of the of the annual debt service on the subordinated lien debt. Secondly, overall combined net revenues and pledged PFCs must equal at least 115% of the combined annual debt service of the senior and subordinated lien bonds. The subordinated debt coverage ratios must exceed 1.25 and 1.15, respectively under these two tests. The subordinated debt coverage ratio under the first test was 7.46 in 2023. The subordinated debt coverage ratio under the second test was 3.30 in 2023.

The rate covenant under the CFC Trust Agreement requires that CFC collections must exceed 150% of the annual debt service requirement on the CFC lien bonds. Therefore, the CFC debt coverage ratio calculation must exceed 1.50 under this covenant. If CFC collections in a fiscal year do not result in meeting the rate covenant, the Authority may first utilize the one-time deposit in the CFC Deficiency Reserve until depletion at which the rental car companies operating at the RCC are obligated to pay the Authority the incremental amount required to satisfy the covenant. In addition, the amount equal to 25% of the CFC Debt Service may be transferred from the CFC Surplus and be applied towards the coverage requirement. In 2023, the Authority utilized $6.6 million of the CFC surplus to support the required coverage levels. The CFC debt coverage ratio was 1.59 in 2023.

The Authority has made pledges of certain revenue streams as collateral for the principal and interest payments of their revenue bonds. The Authority’s pledged revenues are as follows:

Operating revenues less operating and maintenance expenses (net revenues) have been pledged as collateral for the senior revenue bonds. The total amount of the pledge is equal to the remaining principal and interest payments of $1,460.3 million. The Authority recognized $233.7 million in net revenues during 2023, and made principal and interest payments on senior revenue bonds of $54.99 million.

PFC revenues have been pledged as collateral for the subordinated revenue bonds. The total amount of the pledge is equal to the remaining principal and interest payments of $611.8 million. The Authority recognized $45.9 million of PFC revenues during 2023 and made principal and interest payments on subordinated revenue bonds of $30.4 million.

CFC revenues have been pledged as collateral for the CFC revenue bonds. The total amount of the pledge is equal to the remaining principal and interest payments of $558.6 million. The Authority recognized $40.9 million in gross CFC revenues during 2023 and made principal and interest payments on CFC revenue bonds of $26.6 million.

Note 8. Debt and Other Non-Current Liabilities (Continued)

Right-to-Use Lease Liabilities

The net present value of the Authority's minimum for future lease payments for non-cancelable leases, as of September 30, 2023, is as follows (in thousands):

Years Ending September 30:	Principal	Interest	Total
2024	$ 272	$ 10	$ 282
2025	277	5	282
2026	121	1	122
	$ 670	$ 16	$ 686

Right to Use Subscription IT Liabilities

The net present value of the Authority's minimum future subscription payments for non-cancelable SBITAs as of September 30, 2023, is as follows (in thousands):

Years Ending September 30:	Principal	Interest	Debt Service
2024	$ 1,738	$ 192	$ 1,930
2025	1,505	142	1,647
2026	1,068	97	1,165
2027	252	64	316
2028	91	56	147
2029-2033	469	231	700
2034-2038	563	137	700
2039-2043	390	29	419
	$ 6,076	$ 948	$ 7,024

Bank Notes

The Authority has a revolving credit agreement not to exceed $100,000,000 with Truist Bank.

Total interest expenses incurred on the bank note during the year ended September 30, 2023 were $200,000. As of September 30, 2023, there was no outstanding balance for bank note.

Note 8. Debt and Other Non-Current Liabilities (Continued)

Bonds, bank notes and other non-current liability information and activity (in thousands) for the years ended September 30, are summarized as follows:

	(As restated) Balance October 1, 2022	Additions	Paydowns	Balance September 30, 2023	Amount Due within One Year
Senior Bonds	$ 909,935	$ -	$ (27,485)	$ 882,450	$ 28,240
PFC Subordinated Bonds	460,395	-	(13,095)	447,300	13,650
CFC Bonds	348,415	-	(9,445)	338,970	9,800
Total Bonds and Notes Payable	1,718,745	-	(50,025)	1,668,720	51,690
Compensated Absences	5,741	-	(314)	5,427	1,407
Environmental Liabilities	124	149	(8)	265	265
Right-to-Use-Lease Liabilities	22,144	-	(21,474)	670	272
Right-to-Use Subscription IT Liabilities	6,070	2,579	(2,573)	6,076	1,738
Pension Liabilities	64,580	13,436	-	78,016	-
Other Post Employment Benefits	4,901	296	-	5,197	-
Total Other Liabilities	$ 103,560	$ 16,460	$ (24,369)	$ 95,651	$ 3,682

The Authority adopted GASB 96, *Subscription-Based Information Technology Arrangements* in fiscal year 2023, resulting in a reconginiton of subscription IT liability of $6.1 million at the beginning of the year.

Other Non-Current Liabilities

This line item consists of compensated absences, lease liabilities, pollution remediation obligations, pension and OPEB as listed in the above activity table.

As required by GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* (GASB 49), the Authority recognizes certain remediation obligations in the financial statements. There are several sites on airport property requiring the establishment of liabilities under GASB 49. The Authority's Planning and Development staff, working in conjunction with outside environmental specialists and the Florida Department of Environmental Protection and other government agencies, developed detailed plans and cost estimates of the pollution remediation liabilities associated

with these sites. The total estimated and recorded liabilities for the sites at September 30, 2023 are $265,272 and are included with accrued expenses in the statement of net position.

Compensated Absences

The Authority provides for compensated absences to its employees through employee benefit programs. Under the programs, employees are provided compensated absences for sick and vacation time, as well as related retirement amounts. Expected amounts that will be paid out in the subsequent fiscal year are recorded as accrued expenses in the statement of net position. Amounts expected to be paid out past the subsequent fiscal year are included with other non-current liabilities in the statement of net position.

Note 9. Contributions

The Authority has received capital contributions by means of federal and state grants, PFC and other sources (in thousands) are as follows for the year ended September 30, 2023:

PFCs	$	45,855
Federal Airport Improvement Program (AIP) Grants		8,960
State Grants		27,514
Federal Reimbursements		7,146
CFCs - Net		28,135
Total Capital Contributions	$	117,610

CFC collections prior to revenue recognition and applicable operating and maintenance expense offsets were $40.9 million in 2023.

Note 10. Defined Benefit Pension Plans

Background

The FRS was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Authority are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report and other relevant information, is available from the Florida Department of Management Services' web site (www.dms.myflorida.com).

The Authority's pension expense totaled $21.1 million for both the FRS and HIS for the fiscal year ended September 30, 2023.

Note 10. Defined Benefit Pension Plans (Continued)

Florida Retirement System Pension Plan

Plan Description

The FRS is a cost-sharing multiple-employer defined benefit pension plan, with a DROP available for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS may include up to 4 years of credit for military service toward creditable service. The FRS also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS provides retirement, disability, death benefits and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Note 10. Defined Benefit Pension Plans (Continued)

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in line of duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment and Retirement Age/Years of Service:	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement up to age 63 or up to 31 years of service	1.63
Retirement up to age 64 or up to 32 years of service	1.65
Retirement up to age 65 or up to 33 years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement up to age 66 or up to 34 years of service	1.63
Retirement up to age 67 or up to 35 years of service	1.65
Retirement up to age 68 or up to 36 years of service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pre-tax basis. The contribution rates attributable to the Authority as of September 30, 2023, were applied to employee salaries as follows: Regular 10.25% and 9.16%, Special Risk 26.17% and 24.23%, Senior Management Service 29.91% and 27.35% and DROP participants 16.94% and 16.68%, respectively. The Authority's contributions to the FRS were $6.6 million for the fiscal year ended September 30, 2023. This allocation is in addition to a required employee contribution of 3% of gross compensation for each member class (excluding DROP participants).

Note 10. Defined Benefit Pension Plans (Continued)

Pension Costs

At September 30, 2023, the Authority reported a liability of $54.2 for its proportionate share of the FRS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of July 1, 2023. The Authority's proportion of the net pension liability was based on the Authority's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2022 through June 30, 2023, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2023, the Authority's proportion was 0.1361%.

For the year ended September 30, 2023, the Authority recognized pension expense of $11.9 million for its proportionate share of FRS's pension expense. In addition, the Authority reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources (in thousands):

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 5,091	$ -
Changes in Actuarial Assumptions	3,535	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,265	-
Changes in Proportion and Differences Between Authority Contributions and Proportionate Share of Contributions	2,054	566
Authority Contributions Subsequent to the Measurement Date	1,710	-
Total	$ 14,655	$ 566

Deferred outflows of $1.71 million related to pensions resulting from Authority contributions to the FRS subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an decrease in collective pension expense as follows (in thousands):

Years Ending June 30:	Amount
2024	$ 1,687
2025	(668)
2026	10,124
2027	962
2028	275
Thereafter	(1)
	$ 12,379

Note 10. Defined Benefit Pension Plans (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per year
Salary Increases	3.25% Including Inflation
Investment Rate of Return	6.70%, Net of investment expense

Mortality rates were based on PUB-2010 tables with projection scale MP-2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation, as outlined in the FRS investment policy, and best estimates of arithmetic and geometric real rates of return for each major asset class as of June 30, 2023, is summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1%	2.9%	2.9%	1.1%
Fixed Income	20%	4.5%	4.4%	3.4%
Global Equity	54%	8.7%	7.1%	18.1%
Real Estate	10%	7.6%	6.6%	14.8%
Private Equity	11%	11.9%	8.8%	26.3%
Strategic Investments	4%	6.3%	6.1%	7.7%
Totals	100%			

Discount Rate

The long-term expected rate of return assumption of 6.7% consists of two components: an inferred real (in excess of inflation) return of 4.2% and a long-term average annual inflation assumption of approximately 2.4% as adopted in October 2023 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary both components and the overall 6.70% return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice. The 6.70% reported investment return assumption is the same as the investment return assumption chosen by the 2022 FRS Actuarial Assumption Conference for funding policy purposes.

Note 10. Defined Benefit Pension Plans (Continued)

Pension Liability Sensitivity

The following presents the Authority's proportionate share of the net pension liability as for the FRS, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate (in thousands):

	2023		
Description	1% Decrease	Current Discount	1% Increase in
FRS Plan Discount Rate	5.70%	6.70%	7.70%
Authority's Proportionate Share of the FRS Plan Net Pension Liability	$ 92,630	$ 54,227	$ 22,097

Pension Plan Fiduciary Net Position

Detailed information about the FRS fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website at http://www.dms.myflorida.com.

Retiree Health Insurance Subsidy Program

Plan Description

The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the periods October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, respectively, the contribution rate was 1.66% of payroll pursuant to section 112.363, Florida Statues. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The Authority's contributions to the HIS Plan were $1.01 million for the year ended September 30, 2023.

Note 10. Defined Benefit Pension Plans (Continued)

Pension Costs

At September 30, 2023 the Authority reported a liability of $23.8 million for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by annual actuarial valuations as of July 1, 2022. The Authority's proportion of the net pension liability was based on the Authority's contributions received during the measurement period for employer payroll paid dates from July 1 through June 30, relative to the total employer contributions received from all participating employers. At June 30, 2023, the Authority's proportion was 0.1498%.

For the year ended September 30, 2023, the Authority recognized pension expense of $9.3 million for its proportionate share of HIS's pension expense. In addition, the Authority reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources (in thousands):

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 348	$ 56
Changes in Actuarial Assumptions	625	2,061
Net Difference Between Projected and Actual Earnings on HIS Program Investments	12	-
Changes in Proportion and Differences Between Authority Contributions and Proportionate Share of Contributions	1,200	322
Authority Contributions Subsequent to the Measurement Date	273	-
Total	$ 2,458	$ 2,439

Deferred outflows of $273 thousand related to pensions resulting from Authority contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows (in thousands):

Years Ending June 30:	Amount
2024	$ (44)
2025	(27)
2026	(45)
2027	(88)
2028	(46)
Thereafter	(4)
	$ (254)

Note 10. Defined Benefit Pension Plans (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.4% per year
Salary Increases	3.25% including inflation
Municipal Bond Index Rate	3.54%

Mortality rates were based on the Generational PUB-2010 with projection scale MP-2018.

Discount Rate

The discount rate used to measure the total HIS Plan pension liability as of June 30, 2023 was 3.65%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference.

Pension Liability Sensitivity

The following presents the Authority's proportionate share of the net pension liability for the HIS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate (in thousands):

2023			
Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.65%	3.65%	4.65%
Authority's Proportionate Share of the HIS Plan Net Pension Liability	$ 27,140	$ 23,789	$ 21,012

Pension Plan Fiduciary Net Position

Detailed information about the HIS Plan's fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website at http://www.dms.myflorida.com.

Note 11. Defined Contribution Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS. Authority employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts during the 2021-2022 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, were as follows: Regular class 11.3%, Special Risk class 19.00% and Senior Management class 12.67%. These allocations include a required employee contribution of 3% of gross compensation for each member class.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS is transferred to the Investment Plan, the member must have the years of service required for FRS vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Authority's Investment Plan pension expense totaled $1.5 million for the year ended September 30, 2023. Employee contributions to the Investment Plan totaled $413 thousand for the year ended September 30, 2023.

Note 12. Other Post Employment Benefits (OPEB)

In accordance with Florida Statutes, Section 112.0801, the Authority provides for a continuation of group health insurance to retirees and eligible dependents contingent upon meeting certain service and age requirements. The Authority has chosen pay-as-you-go funding and as such does not issue a separate financial report for the OPEB plan.

(a) Description of OPEB Plan

In addition to pension benefits, the Authority offers other post employment benefits of health, dental and life insurance. Employees that retire under the FRS have the option to continue to participate in the group insurance plans of the Authority. The retirees and their dependents are offered the same coverage as is provided to current employees. The plan is a single-employer defined benefit healthcare plan self-funded by the Authority through the health care insurance provider

Funding Policy

The Authority does not accumulate assets to pay benefits but rather finances the program on a pay-as-you-go basis. Under the self-funded medical program, retirees are required to pay the same monthly premium cost that is applicable to the active employee, less a subsidy of $5 times the number of years continuously employed with the Authority at the time of retirement. The maximum amount of the subsidy is $150 per month. This subsidy totaled $41,353 in fiscal year 2023. The retiree and dependents may also participate in the dental and life insurance plans, but must pay the full cost of the premiums associated with these plans. Employees are eligible for a flat $10,000 life insurance benefit upon retirement, which reduces to $5,000 at age 70. If a retiree does not participate in these plans upon retirement, he or she is not eligible to participate in the future. Below is a summary of the Health Plan's membership as of September 30, 2023:

Plan Membership	September 30, 2023
Active	673
Inactive, receiving benefits	203

(b) Measurement of Total OPEB Liability

The Authority's total OPEB liability was determined using the following measurement date and actuarial assumptions as of September 30, 2023:

	2023
Measurement Date	September 30,2023
Actuarial Valuation Date	September 30,2023
Salary Increase Rate	3.0% per annum
Health Care Cost Trend Rate:	
Pre-65 years old	6.75%
65 years and older	5.75%
Discount Rate	4.06%
Mortality Tables used	Pub-2010 projected forward using SOA scale MP-2021

Note 12. OPEB (Continued)

The changes in the assumptions during the fiscal year ended September 30, 2023, reflect the changes in the discount rate, which was increased from 4.02% to 4.06%. The source utilized to establish the discount rates is the Bond Buyer 20-Bond General Obligation Index. The health care cost trend assumptions are used to project the cost of health care in future years. The following trends are based on the current HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.5% each year until reaching the ultimate trend.

(c) Changes in the Total OPEB Liability

Changes in the total OPEB liability for the fiscal year ended September 30, 2023, based on the measurement date, are as follows (in thousands):

	2023
Balance, beginning of year	$ 4,901
Changes for the year:	
Service Cost	282
Interest Cost	205
Changes in assumptions or other inputs	(31)
Benefit payments	(160)
Net change	296
Balance, end of year	$ 5,197

(d) OPEB Expenses

OPEB expense recognized by the Authority for the fiscal year ended September 30, 2023 was $335,403.

(e) OPEB Deferred Outflows and Inflows of Resources

At September 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources as follows (in thousands):

	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 811	$ 1,015
Changes of assumptions/inputs	732	1,933
	$ 1,543	$ 2,948

Note 12. OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows (in thousands):

Years Ending September 30:	Deferred Outflows (Inflows)
2024	$ (152)
2025	(152)
2026	(152)
2027	(152)
2028	(152)
Thereafter	(645)
	$ (1,405)

(f) Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rate and Discount Rate

Health Care Cost Trend Sensitivity

The following presents the total OPEB liability of the Authority, as well as what the Authority total OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates (in thousands):

		Total OPEB Liability		
	Health Care Cost Trend	1% Decrease	Current Rate	1% Increase
As of September 30, 2023	4.06%	$ 4,682	$ 5,197	$ 6,050

Discount Rate Sensitivity

The following presents the total OPEB liability of the Authority, as well as what the Authority total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rates:

		Total OPEB Liability		
	Discount Rate	1% Decrease	Current Rate	1% Increase
As of September 30, 2023	4.06%	$ 6,045	$ 5,197	$ 4,513

Note 13. Risk Management

The Authority has developed risk mitigation strategies for loss prevention to address exposure to various risks. One of those risk mitigation strategies is the purchase of commercial insurance for losses related to torts and other liabilities, theft of, damage to and destruction of assets, natural disasters and workers' compensation. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

The Authority provides a group health self-insurance plan for its retirees, employees and eligible dependents. The Authority is liable for the uninsured risk of loss under the plan. The Authority's liability is estimated by management in consultation with external insurance professionals. A summary of the liability for the self-insurance plan (in thousands) as of September 30, 2023, is presented below:

Liability, beginning of the fiscal year	$	384
Current year claims and changes in estimates		12,056
Claims paid during the year		(11,585)
Liability, end of the fiscal year	$	855

The liability for the self-insurance plan is included in accrued expenses in the statement of net position.

Note 14. Commitments and Contingencies

Construction and Maintenance Contracts

In connection with the Authority's ongoing maintenance programs, long-term maintenance contracts have been executed for services that are incomplete. These contracts are typically cancelable by either party with advance notice ranging from 30 to 180 days. The Authority also has entered into contracts and agreements totaling approximately $1,274 million for construction, engineering services, land acquisition and equipment, approximately $422 million of which remains unspent.

Contingencies

The Authority is involved in litigation and claims as defendant or plaintiff arising in the ordinary course of operations. In the opinion of management, based on the advice of counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Authority.

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by the grantor agency as a result of such an audit, any claim for reimbursement would become a liability of the Authority. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal laws and regulations.

Concentration of Revenues

The Authority leases facilities to the airlines and to other businesses to operate concessions at the Authority. For the fiscal year ended September 30, 2023, revenues realized from the following sources exceeded 5% of the Authority's total operating revenues:

Southwest Airlines Co.	8.1%
Delta Air Lines, Inc.	5.5%

The two airlines listed above represented 43.1% of the enplanements in 2023.

Note 15. Related Party Transactions

The Authority considers the City of Tampa and Hillsborough County to be related parties due to the Mayor of the City of Tampa and a County Commissioner being members of governance of both entities. The City of Tampa and Hillsborough County provide certain services to the Authority including firefighting personnel and utilities, as well as renting hangar facilities and ground area at the Airport. The Authority received rental revenues of $471,200 during the year ended September 30, 2023. The total expense incurred by the Authority during the year ended September 30, 2023 were $9.7 million.

Note 16. Implementation of GASB Statement No. 96

The Authority implemented GASB Statement No. 96 as of October 1, 2022. The new standard requires the reporting of certain subscription assets and liabilities, which were previously not reported. The results of these changes impacted the beginning right-to-use subscription assets and subscription liabilities as follows (in thousands):

	Right of Use Subscription Assets	Subscription Liabiliities
Statement of Net Position		
Balances as of September 30, 2022, as previously reported	$ -	$ -
Change due to implementation of GASB Statement No. 96	6,070	6,070
Balances as of October 1, 2022, as restated	$ 6,070	$ 6,070

Note 17. Subsequent Events

The Authority has evaluated subsequent events through March 28,2024, the date on which the financial statements were available to be issued.

Hillsborough County Aviation Authority
Required Supplementary Information (Unaudited)

Schedule of Changes in Total OPEB Liability
Last Ten Fiscal Years*
(in thousands)

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service Cost	$ 282	$ 274	$ 276	$ 338	$ 261	$ 251	$ 326
Interest Cost	205	117	116	182	225	202	184
Differences between expected and actual experience	-	928	-	(1,509)	-	-	-
Changes in assumptions	(31)	(1,537)	42	(279)	1,190	(375)	(430)
Benefit payments	(160)	(127)	(280)	(296)	(288)	(225)	(171)
Net Change in total OPEB liability	296	(345)	154	(1,564)	1,388	(147)	(91)
Total OPEB liability – beginning	4,901	5,246	5,093	6,657	5,269	5,416	5,507
Total OPEB liability – ending	$ 5,197	$ 4,901	$ 5,247	$ 5,093	$ 6,657	$ 5,269	$ 5,416
Covered employee payroll	$ 53,392	$ 51,837	$ 54,412	$ 52,572	$ 45,142	$ 43,615	$ 42,141
Total OPEB Liability as a percentage of covered employee payroll	10%	9%	10%	10%	15%	12%	13%

*Note: This schedule is to be built prospectively until it contains ten years of data. However until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

Schedule of the Authority's Proportionate Share of the Net Pension Liability
Florida Retirement System Pension Plan
Last Ten Fiscal Years*
(In Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.136087%	0.132226%	0.129367%	0.133187%	0.130367%	0.121263%	0.118371%	0.118844%	0.113335%	0.109354%
Authority's Proportionate Share of the Net Pension Liability	$ 54,227	$ 49,199	$ 9,772	$ 57,725	$ 44,897	$ 36,525	$ 35,013	$ 30,008	$ 14,639	$ 6,672
Authority's Covered Payroll	$ 46,869	$ 42,612	$ 39,894	$ 40,458	$ 39,416	$ 35,907	$ 34,772	$ 33,815	$ 31,413	$ 28,596
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	115.70%	115.46%	24.50%	142.68%	113.91%	101.72%	100.69%	88.74%	46.60%	23.33%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

*The Amounts Presented for Each Fiscal Year were Determined as of June 30.

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

Schedule of Authority Contributions
Florida Retirement System Pension Plan
Last Ten Fiscal Years*
(In Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	$ 6,605	$ 5,821	$ 5,027	$ 4,627	$ 4,186	$ 3,544	$ 3,093	$ 3,122	$ 2,795	$ 2,403
Contributions in Relation to the Contractually Required Contribution	(6,605)	(5,821)	(5,027)	(4,627)	(4,186)	(3,544)	(3,093)	(3,122)	(2,795)	(2,403)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$ 45,640	$ 43,531	$ 39,990	$ 40,485	$ 40,126	$ 36,628	$ 35,305	$ 36,326	$ 31,966	$ 28,719
Contributions as a Percentage of Covered Payroll	14.47%	13.37%	12.57%	11.43%	10.43%	9.68%	8.76%	8.59%	8.74%	8.37%

*The Amounts Presented for Each Fiscal Year were Determined as of September 30.

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

Schedules of Required Supplementary Information

Schedule of the Authority's Proportionate Share of the Net Pension Liability
Retiree Health Insurance Subsidy Program
Last Ten Fiscal Years*
(In Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.149793%	0.145224%	0.141012%	0.146476%	0.145753%	0.135788%	0.130843%	0.130356%	0.121545%	0.117391%
Authority's Proportionate Share of the Net Pension Liability	$ 23,789	$ 15,382	$ 17,297	$ 17,884	$ 16,308	$ 14,372	$ 13,990	$ 15,192	$ 12,396	$ 10,976
Authority's Covered Payroll	$ 59,995	$ 54,212	$ 50,182	$ 51,321	$ 49,425	$ 44,495	$ 42,127	$ 39,634	$ 37,218	$ 33,889
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	39.65%	28.37%	34.47%	34.85%	33.00%	32.30%	33.21%	38.33%	33.31%	32.39%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

*The Amounts Presented for Each Fiscal Year were Determined as of June 30.

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

Schedule of Authority Contributions
Retiree Health Insurance Subsidy Program
Last Ten Fiscal Years*
(In Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	1,013	899	826	$ 849	$ 827	$ 750	$ 707	$ 699	$ 509	$ 404
Contributions in Relation to the Contractually Required Contribution	(1,013)	(899)	(826)	(849)	(827)	(750)	(707)	(699)	(509)	(404)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$ 59,395	$ 54,992	$ 50,395	$ 51,267	$ 50,321	$ 45,479	$ 43,025	$ 42,986	$ 37,942	$ 34,066
Contributions as a Percentage of Covered Payroll	1.71%	1.64%	1.64%	1.66%	1.64%	1.65%	1.64%	1.63%	1.34%	1.18%

*The Amounts Presented for Each Fiscal Year were Determined as of September 30.

SUPPLEMENTARY INFORMATION

HILLSBOROUGH COUNTY AVIATION AUTHORITY
SCHEDULE OF BONDS ISSUED, REDEEMED AND OUTSTANDING
YEAR ENDED SEPTEMBER 30, 2023
(IN THOUSANDS, UNAUDITED)

Revenue Bond Issue	Original Issuance	Redeemed in Prior Years	Refunded in Prior Year	Redeemed In Current Year	Outstanding September 30, 2023
2013B	$ 35,235	$ 31,955	$ -	$ 3,280	$ -
2013A Subordinated	168,865	74,845	84,230	9,790	-
2015A Senior	148,210	-	59,625	-	88,585
2015C Senior	18,710	14,830	-	3,880	-
2017A Senior	54,665	-	-	-	54,665
2015A CFC	88,975	-	-	-	88,975
2015B CFC	294,350	34,910	-	9,445	249,995
2018A Senior	48,810	41,910	-	6,900	-
2018B Senior	32,175	-	-	-	32,175
2018C Senior	26,665	-	-	-	26,665
2018E Senior	140,120	6,305	-	5,705	128,110
2018F Senior	160,855	7,435	-	6,695	146,725
2018A Subordinated	102,500	-	-	-	102,500
2021A Senor	31,400	-	-	-	31,400
2022A Senior	263,760	-	-	715	263,045
2022B Senior	111,390	-	-	310	111,080
2022A Subordinated	348,105	-	-	3,305	344,800
Total	$ 2,074,790	$ 212,190	$ 143,855	$ 50,025	$ 1,668,720

HILLSBOROUGH COUNTY AVIATION AUTHORITY
REVENUE FUND
SCHEDULE OF CASH AND INVESTMENT TRANSACTIONS
YEAR ENDED SEPTEMBER 30, 2023 (UNAUDITED)
(IN THOUSANDS)

	Depository Account	Operating Reserve Account
Balance, October 1, 2022	$ 18,779	$ 717
Receipts:		
Revenue	286,606	-
Parking	86,863	-
Pre-Book Parking	10,408	-
Canine and LEO Reimbursements	410	-
Interest	193	4
Transfers from:		
CFC Fund	4,508	-
Reserve Fund	3,010	-
PFC Fund	2,436	-
Intrafund Transfers and Other Deposits	4,470	2,692
Total Available	417,683	3,413
Disbursements:		
Sales Taxes	(9,024)	-
Transfers to:		
Operations and Maintenance Fund	(175,566)	-
Surplus	(104,039)	-
Sinking Fund	(67,101)	-
Customer Facility Charges	(40,742)	-
Operating Reserve	(2,692)	-
Imprest Fund	(277)	-
Net Investment Activity		(289)
Total Disbursements	(399,441)	(289)
Balance September 30, 2023	$ 18,242	$ 3,124

HILLSBOROUGH COUNTY AVIATION AUTHORITY
SINKING FUND
SCHEDULE OF CASH AND INVESTMENT TRANSACTIONS
YEAR ENDED SEPTEMBER 30, 2023 (UNAUDITED)
(IN THOUSANDS)

	Interest Account	Principal Account
Balance, October 1, 2022	$ 147	$ 132
Receipts:		
Interest	956	1,260
Transfers from:		
Revenue Fund	39,616	27,485
PFCs	17,289	13,095
CFCs	17,155	9,445
Total Receipts	75,016	51,285
Disbursements:		
Transfers to:		
Debt Service Paid from Revenue Fund	(39,616)	(27,485)
Debt Service Paid from PFCs	(17,289)	(13,095)
Debt Service Paid from CFCs	(17,155)	(9,445)
Other Transfers and Costs	(577)	(132)
Total Disbursements	(74,637)	(50,157)
Balance, September 30, 2023	$ 526	$ 1,260

HILLSBOROUGH COUNTY AVIATION AUTHORITY
OPERATING AND MAINTENANCE FUND
SCHEDULE OF CASH AND INVESTMENT TRANSACTIONS
YEAR ENDED SEPTEMBER 30, 2023 (UNAUDITED)
(IN THOUSANDS)

Balance, October 1, 2022	$	7,573
Receipts:		
Transfers from:		
Revenue Fund		175,566
Surplus		9,226
Capital Improvement Fund		5,248
CFC		3,272
CFC Surplus		2,681
Other Deposits		1,099
Total Available		204,665
Disbursements:		
Disbursements – Payroll		(61,739)
Disbursements – Non Personnel Operating Expenses		(60,393)
Transfer to Imprest Fund		(48,938)
Transfer to Self Insurance		(11,627)
Contribution to Florida Retirement System		(10,240)
Other Fund Transfers		
Intrafund Transfers and Other Costs		(619)
Total Disbursements		(193,556)
Balance September 30, 2023	$	11,109

HILLSBOROUGH COUNTY AVIATION AUTHORITY
RESERVE FUND
SCHEDULE OF CASH AND INVESTMENT TRANSACTIONS
YEAR ENDED SEPTEMBER 30, 2023 (UNAUDITED)
(IN THOUSANDS)

Balance, October 1, 2022	$ 138,735
Receipts:	
Interest	3,567
Total Receipts	3,567
Disbursements:	
Transfers to:	
Revenue Fund	(3,010)
Other Transfers and Adjustments	(67)
Total Disbursements	(3,077)
Balance, September 30, 2023	$ 139,225

Investment Detail

	Due Date	Amortized Cost	Fair Value
T-Note	02/29/24	$ 37,414	$ 36,855
T-Note	05/15/24	4,248	4,226
T-Note	08/31/24	16,722	16,620
T-Note	09/30/24	13,984	13,569
T-Note	08/15/25	5,370	5,172
T-Note	09/30/25	12,560	12,102
T-Note	08/15/27	2,887	2,671
T-Note	08/15/28	13,962	13,076
	05/15/30	31,667	28,373
		$ 138,814	$ 132,664

HILLSBOROUGH COUNTY AVIATION AUTHORITY
SURPLUS FUND
SCHEDULE OF CASH AND INVESTMENT TRANSACTIONS
YEAR ENDED SEPTEMBER 30, 2023 (UNAUDITED)
(IN THOUSANDS)

Cash Balance, October 1, 2022	$ 11,702
Investments:	
Certificate Deposit Balance	3,930
Investments	262,298
Total Cash and Investment Balance, October 1, 2022	277,930
Receipts:	
Transfer from Revenue Fund	104,039
Interest	7,037
Transfer from Capital Improvement Fund	4,688
Total Available	393,694
Disbursements:	
Net Investment Activity	(112,770)
Transfer to O&M Fund	(9,226)
Transfer to Equipment Fund	(3,484)
Transfer to Imprest Fund	(1,475)
Net Skycenter Activity	(1,292)
Intrafund Transfers and Other Costs	(179)
Total Disbursements	(128,426)
Total Cash and Investment Balance, September 30, 2023	$ 265,268

Cash and Investment Detail as of 9/30/23	Due Date	Amortized Costs	Fair Value
Cash	n/a	$ 27,052	$ 27,052
Investments			
Certificate Deposit	12/2024	772	772
Investment Pool	n/a	169,076	169,076
Treasury Bills	10/2023	24,974	24,974
Treasury Bills	09/2024	4,765	4,765
Treasury Bills	03/2025	9,509	9,509
Treasury Bills	09/2025	29,121	29,121
Total Investments		238,217	238,217
Total Cash and Investments as of 9/30/23		$ 265,269	$ 265,269

HILLSBOROUGH COUNTY AVIATION AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE YEAR END SEPTEMBER 30, 2023 (In Thousands)

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Contract/ Grant Number	Federal Assistance Listing Number	Total Federal Expenditures
US Department of Transportation:			
Federal Aviation Administration:			
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Program	3-12-0078-69	20.106	$ 80
	3-12-0078-73	20.106	3,575
	3-12-0078-75	20.106	1,203
	3-12-0078-78	20.106	1,192
	3-12-0078-79	20.106	655
	3-12-0078-80	20.106	427
	3-12-0078-81	20.106	1,542
	3-12-0097-40	20.106	285
			8,959
COVID-19: Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Program			
COVID Relief CRSSA funding (2021)	3-12-0078-72	20.106	(537)
COVID Relief ARPA funding (2022)	3-12-0078-76	20.106	29,812
COVID Relief ARPA funding (2022)	3-12-0078-77	20.106	3,273
			32,548
Total Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Program and Total U.S. Department of Transportation			41,507
US Department of Justice			
Equitable Sharing Program		16.922	48
Total Expenditures of Federal Awards			$ 41,555

(Continued)

HILLSBOROUGH COUNTY AVIATION AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR END SEPTEMBER 30, 2023
(In Thousands)

State Grantor/Pass-Through Grantor Project	Contract/ Grant Number	CSFA Number	Total State Expenditures
Florida Department of Transportation:			
Aviation Grant Programs	G1Z47/436809-1	55.004	$ 268
	G1Z11/436834-1	55.004	(94)
	G1T31/438709-1	55.004	210
	G2598/438713-1	55.004	145
	G1T30/438715-1	55.004	344
	G1T29/438753-1	55.004	13,324
	G1Z12/440562-1	55.004	63
	GOV20/442095-1	55.004	6,362
	G1Z45/444775-1	55.004	199
	G2D60/446801-1	55.004	2
	G1L16/446919-1	55.004	446
	G1K87/446920-1	55.004	564
	G1V68/447220-1	55.004	3,629
	G2F41/448026-1	55.004	1,315
	G2377/448841-1	55.004	109
	G2132/452901-1	55.004	512
	G2133/452904-1	55.004	64
	SC-2022-00170	55.004	41
Total Aviation Grant Programs and Total Florida Department of Transportation			27,503
Florida Department of Law Enforcement			
Florida Incident Based Reporting System	2021-FBSFA-F2-041	71.043	66
Total Expenditures of State Financial Assistance			$ 27,569
Total of Expenditures of Federal Awards and State Financial Assistance			$ 69,124

(Concluded)

See notes to schedule of expenditures of federal awards and state financial assistance.

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal and state award activity of Hillsborough County Aviation Authority (the Authority) under programs and projects of the federal and state government for the year ended September 30, 2023. The information is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, *Rules of the Florida Auditor General* (Chapter 10.550). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.550, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Subrecipients

The Authority did not make sub-awards of federal awards or state financial assistance during the year ended September 30, 2023.

Note 4. Pass-Through Grantors

The Authority did not receive any federal awards from pass-through grantors during the year ended September 30, 2023.

Note 5. Indirect Cost Rate

The Authority has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

COMPLIANCE REPORTS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Members of the Board of Directors
Hillsborough County Aviation Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of the Hillsborough County Aviation Authority (the Authority) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated March 28, 2024. Our report includes an emphasis of matter paragraph related to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* as of October 1, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

Tampa, Florida
March 28, 2024

Report on Compliance for Each Major Federal Program and State Financial Assistance Project and Report on Internal Control Over Compliance Required by the Uniform Guidance and State of Florida Chapter 10.550, *Rules of the Auditor General*

Independent Auditor's Report

Members of the Board of Directors
Hillsborough County Aviation Authority

Report on Compliance for Each Major Federal Program and State Financial Assistance Project

Opinion on Each Major Federal Program and State Financial Assistance Project
We have audited Hillsborough County Aviation Authority's (the Authority's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and in the State of Florida's *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs and state financial assistance projects for the year ended September 30, 2023. The Authority's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and State Financial Assistance Project
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State of Florida Chapter 10.550, *Rules of the Auditor General* (Chapter 10.550). Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state financial assistance project. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express and opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program and state financial assistance project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

RSM US LLP

Tampa, Florida
March 28, 2024

Hillsborough County Aviation Authority

Schedule of Findings and Questioned Costs
Year Ended September 30, 2023

I – Summary of Independent Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements were prepared in accordance with U.S. GAAP:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified?	____ Yes	X None Reported
Noncompliance material to financial statements noted?	____ Yes	X No

Federal Awards

Internal control over major federal programs:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified?	____ Yes	X None Reported
Type of auditor's report issued on compliance for major federal program:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes	X No

Identification of major federal programs:

Assisted Listing Number	Name of Federal Program or Cluster
20.106	Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Program

Dollar threshold used to distinguish between type A and type B programs:	$	1,246,648
Auditee qualified as low-risk auditee?	X Yes	____ No

State Financial Assistance

Internal control over major projects:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified?	____ Yes	X None Reported
Type of auditor's report issued on compliance for major projects:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*?	____ Yes	X No

Identification of major project:

CSFA Number	Name of State Project
55.004	Aviation Grant Program

Dollar threshold used to distinguish between type A and type B project:	$	827,085

II – Financial Statement Findings

No matters to report.

III – Findings and Questioned Costs for Federal Awards and State Financial Assistance

No matters to report.

Hillsborough County Aviation Authority

Summary Schedule of Prior Audit Findings
Year Ended September 30, 2023

The prior year federal and state Single Audits disclosed no findings, and no uncorrected or unresolved findings exist from prior Single Audits.

Report on Compliance for Passenger Facility Charge Program and Report on Internal Control over Compliance; in Accordance with Passenger Facility Charge Audit Guide for Public Agencies

Independent Auditor's Report

Members of the Board of Directors
Hillsborough County Aviation Authority

Report on Compliance for the Passenger Facilities Charge Program

Opinion on Compliance for the Passenger Facilities Charge Program
We have audited Hillsborough County Aviation Authority's (the Authority) compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation Administration* (the Guide) that could have a direct and material effect on its passenger facility charge (PFC) program for the year ended September 30, 2023.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect PFC program for the year ended September 30, 2023.

Basis for Opinion on Compliance for the Passenger Facilities Charge Program
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), and the Guide. Our responsibilities under those standards, the Uniform Guidance and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the PFC Program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's PFC program.

Auditor's Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express and opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements referred to above.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

Restriction on Use

This report is intended solely for the information and use of management of the Authority, the Authority Board members, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Tampa, Florida
March 28, 2024

Hillsborough County Aviation Authority

Schedule of Passenger Facility Charges (PFC) Collected and Expended
Year Ended September 30, 2023
(In Thousands)

Quarter Ended	Beginning Balance Unliquidated PFCs	PFC Collections	Interest Earned	Expenditures	Adjustments	Ending Balance Unliquidated PFCs
December 31, 2022	$ (324,668)	$ 10,180	$ 587	$ (11,817)	$ -	$ (325,718)
March 31, 2023	(325,718)	11,476	681	(14,970)	-	(328,531)
June 30, 2023	(328,531)	13,640	858	(16,710)	52,770	(277,973)
September 30, 2023	(277,973)	9,142	1,126	(7,596)	616,047	340,746

See accompanying notes to schedule.

Notes to Schedule of Passenger Facility Charges Collected and Expended Year Ended September 30, 2023

Note 1. General

The accompanying Schedule of Passenger Facility Charges (PFC) Collected and Expended (the Schedule) presents the activity of the PFC program of the Hillsborough County Aviation Authority (the Authority) for the year ended September 30, 2023. All PFC collected and expended are included in the accompanying schedule. Because the schedule presents only a select portion of the operations of the Authority, it is not intended to and does not present the financial position, change in net position or cash flows of the Authority.

Note 2. Basis of Accounting

The Schedule is prepared on the cash basis of accounting. Under the cash basis, expenditures are recognized when paid rather than when the obligation is incurred and receipts are recorded when cash is received rather than when earned. However, the Authority's financial statements are prepared on the accrual basis of accounting and such transactions are recorded in the financial statements when revenue is earned or expenses are incurred. The information in this schedule is presented in accordance with the requirements of the Passenger Facility Charge Audit Guide for Public Agencies issued by the Federal Aviation Administration in September 2000. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 3. Adjustments

During fiscal year 2023, discussions were held with the Federal Aviation Authority (FAA) Passenger Facility Charge program officials regarding the proper presentation of expenditures reported in the FAA System of Airport Reporting (SOAR). It was determined that the Authority had been reporting the expenditure of bond proceeds on various PFC funded projects, which was suggested by the FAA as not being a best practice. As a result, an adjustment column was included in the Schedule for the year ended September 30, 2023 to present the amounts adjusted in accordance with the FAA guidelines. The Authority intends to revise the PFC reporting in SOAR in future periods to reflect the suggested FAA guidelines.

Hillsborough County Aviation Authority

Schedule of Findings and Questioned Costs – Passenger Facility Charges
Year Ended September 30, 2023

I – Summary of Independent Auditor's Results

Schedule of Passenger Facility Charges (PFC) Collected and Expended (Schedule)

Type of report the auditor issued on whether the financial statements were prepared in accordance with the cash basis of accounting:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified?	____ Yes	X None Reported
Noncompliance material to Schedule noted?	____ Yes	X No

Passenger Facility Charge Program

Internal control over the program:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified?	____ Yes	X None Reported
Type of auditor's report issued on compliance for the program:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Passenger Facility Charges Audit Guide for Public Agencies?	____ Yes	X No

II – Financial Statements Findings

No matters to report.

III – Findings and Questioned Costs for the Program

No matters to report.

Hillsborough County Aviation Authority

Summary Schedule of Prior Audit Findings
Passenger Facility Charges Program
Year Ended September 30, 2023

The prior year program specific audit disclosed no significant findings, and no significant uncorrected or unresolved findings exist from prior program specific audits.

Management Letter Required By Chapter 10.550 of the Rules of the Auditor General of the State of Florida

To the Members of the Board of Directors
Hillsborough County Aviation Authority

Report on the Financial Statements
We have audited the financial statements of the Hillsborough County Aviation Authority (the Authority) as of and for the year ended September 30, 2023, and issued our report thereon dated March 28, 2024.

Auditor's Responsibility
We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control over Financing Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Financial Assistance Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 28, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1, Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In that regard, there were no recommendations made in the preceding financial audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4, Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The specific legal authority that established the Authority is disclosed in Note 1 of the financial statements.

Financial Condition and Management
Section 10.554(1)(i)5a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to sections 10.554(1)(i)5b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Authority. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of the financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Specific Information

As required by Section 218.39(3)(c), *Florida Statutes*, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Authority reported:

a. The total number of district employees compensated in the last pay period of the districts fiscal year as 669.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 47.

c. All compensation earned or awarded to employees, whether paid or accrued, regardless of contingency as $76,599,714.

d. All compensation earned or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $51,888,099.

e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as shown below:

Project #	Project Name	Approved Budget	Expenditures 10/1/22 to 9/30/23
1110 23	SELF SERVICE BAG DROP	$ 590,000	$ 285,983
1115 23	COBUS ACQUISITION	3,287,000	2,725,206
6845 23	VDF AIRPORT ROADS REHABS	1,118,300	168,359
6970 23	MT LED TECHNOLOGY REFRESH	2,256,885	283,295
6975 23	BHS SERVER UPGRADE	2,950,000	1,003,561
6995 23	FY23 ITS COMMODITY PROJECT	2,900,000	1,728,160
7055 23	MT&A/S CHAIRS REUP & REPLACE	3,179,000	1,926,216
7060 23	MT CONTROLS UPGRADE	924,200	711,610
7090 23	A/S F AIRLINE&TSA SPACE REHAB	251,300	138,039
7100 23	R/W 1R-19L&10-28 ASPHALT REHAB	11,344,000	595,812
7115 23	AIRFIED DRAINAGE REHAB	2,551,100	461,819
7120 23	STPG LEVEL 4 AND RAMPS REHAB	2,865,900	156,317
7125 23	LTPG SWITCHGEAR REPLACEMENT	2,858,600	83,213
7145 23	CCTV ENHANCEMENT & REPLACEMENT	1,955,400	1,510,019
7150 23	VDF T/W A, D, E & J REHAB	11,338,300	555,776
7160 23	A/S C&AIR CARGO TRASH COMPACT	870,000	328,697
7170 23	FY23 TAMPA FUEL COMMITTEE	2,043,800	1,656,849
7185 23	GA SECURITY IMPROVEMENTS	4,821,000	75,698
7195 23	CENTRAL WAREHOUSE MEZZANINE	590,900	547,683
8500 23	A/S D DEVELOPMENT PROGRAM	787,384,000	9,127,949
8505 23	WILDLIFE MANAGEMENT PH 2	17,767,500	328,590
8510 23	NORTH EMPLOYEE PARKING LOT EXP	8,675,000	497,358
8910 23	A/S E SHUTTLE CARS REPLACE	34,591,000	2,936,675
		$ 907,113,185	$ 27,832,884

f. A budget variance based on the budget adopted under Section 189.016(4), *Florida Statutes*, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), *Florida Statutes*, as shown below:

Tampa International Airport

Schedule 1

FISCAL YEAR 2023 ENDED SEPTEMBER 30, 2023

ACTUAL OPERATING RESULTS VERSUS BUDGET (UNAUDITED)

Summary Results

(dollars in thousands)

	FY2023 ANNUAL		Variance FY23 ANNUAL Actual Vs. Budget	
	Actual	Budget	Dollars	Percent
Revenues	$ 381,356	$ 343,528	$ 37,828	11.0%
Net Operating Expenses	172,368	175,566	3,198	1.8%
Funds Available for Debt Service	$ 208,988	$ 167,963	$ 41,025	24.4%
Net Debt Service	55,186	55,386	200	0.4%
Funds Available	153,802	112,577	41,225	36.6%
Airline Revenue Sharing	(4,564)	(2,507)	(2,057)	-82.1%
Airline & Cargo Settlement	2,172	-	2,172	100.0%
Funds Available for ASIP, Capital & Reserves	$ 151,409	$ 110,070	$ 41,339	37.6%
Cost Per Enplaned Passenger	$ 9.71	$ 9.54	$ (0.17)	-1.8%

Purpose of This Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Tampa, Florida
March 28, 2024

Independent Accountant's Report on Compliance with
Local Government Investment Policies

Members of the Board of Directors
Hillsborough County Aviation Authority

We have examined the Hillsborough County Aviation Authority's (the Authority) compliance with the local government investment policy requirements of Section 218.415, *Florida Statutes*, during the period October 1, 2022 to September 30, 2023. Management of the Authority is responsible for the Authority's compliance with the specific requirements. Our responsibility is to express an opinion on Authority's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Authority complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Authority complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination of the Authority's compliance with the specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Authority complied, in all material respects, with the aforementioned requirements of Section 218.415, *Florida Statutes*, during the period October 1, 2022 to September 30, 2023.

This report is intended solely for the information and use of the Florida Auditor General, the Authority Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

RSM US LLP

Tampa, Florida
March 28, 2024

APPENDIX C

RESTATED TRUST AGREEMENT

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UNOFFICIAL CODIFIED*

(Includes Amendments from 2024A Supplemental Trust Agreement dated as of July 1, 2024 and Amendments from 2024B Supplemental Trust Agreement to be dated August 1, 2024)

CODIFIED AND RESTATED

TRUST AGREEMENT

RELATING TO

HILLSBOROUGH COUNTY
AVIATION AUTHORITY

TAMPA INTERNATIONAL AIRPORT
REVENUE BONDS

DATED OCTOBER 1, 1968, AS AMENDED

EFFECTIVE ON AND AFTER THE ISSUANCE OF THE 2024B BONDS
[EXPECTED TO BE ON OR ABOUT AUGUST 22, 2024]

[Scrivener's Note: This codified version of the Senior Trust Agreement contains the terms of the Original Trust Agreement dated October 1, 1968, as thereafter codified and restated on October 1, 1999, September 1, 2006, November 7, 2018 and March 9, 2022, and certain further amendments (the "<u>2024 Amendments</u>") reflected in Supplemental Trust Agreements (i) dated as of July 1, 2024 related to the issuance of the Authority's Tampa Internal Airport Revenue Refunding Bonds, 2024 Series A (the "<u>2024A Bonds</u>"), and (ii) as of August 1, 2024 related to the issuance of the Authority's Tampa Internal Airport Revenue Refunding Bonds, 2024 Series B (the "<u>2024B Bonds</u>") (collectively, the "<u>2024 Supplemental Trust Agreements</u>"). The 2024 Amendments requiring consent have been approved by the holders of the 2024A Bonds and will be approved by the holders of the 2024B Bonds upon the issuances thereof, and will become effective upon the issuance of the 2024B Bonds (the "<u>Effective Date</u>"). One amendment that will not become effective as of the issuance of the 2024B Bonds has been included in Exhibit A hereto, and it will only become effective after the redemption, defeasance or retirement of certain outstanding Bonds as noted in Exhibit A. Certain conceptual amendments that have been approved by the holders of all Bonds Outstanding and for which definitive provisions have not yet been drafted, have been included in their conceptual form in Section 11.05 as authorized amendments. This codified version does not include covenants and provisions pertaining exclusively to a single issue, such as specific bond terms, construction fund provisions, tax covenants, covenants to Bond Insurers and direct purchasers, and the like. For those provisions, reference is made to the respective Supplemental Trust Agreements.]

* This Agreement reflects amendments that will become effective upon the issuance of the 2024B Bonds. The amendments are included as Section 5.03 in the 2024B Supplemental Trust Agreement.

HILLSBOROUGH COUNTY AVIATION AUTHORITY

TABLE OF CONTENTS OF TRUST AGREEMENT

Relating To

TAMPA INTERNATIONAL AIRPORT

Page

THIS CODIFIED AND RESTATED TRUST AGREEMENT, dated for convenience of reference as of the 1st day of October, 1968 (but becoming effective as of August 22, 2024), by and between the HILLSBOROUGH COUNTY AVIATION AUTHORITY (hereinafter sometimes referred to as "Authority"), and THE BANK OF NEW YORK MELLON, a New York banking corporation having an office in the City and State of New York (as successor to JPMorgan Chase Bank, N.A.), which is authorized under such laws to exercise corporate trust powers, as Trustee under the Trust Agreement hereinafter referred to (together with its successor or successors and any other corporation which may hereafter be substituted in its place as Trustee under the Trust Agreement, the "Trustee"),

WITNESSETH

WHEREAS, the Authority was created as a public body corporate by Chapter 23339, Laws of Florida, Acts of 1945, as codified, amended and supplemented by Chapter 2022-252, Laws of Florida (2022), and as further amended by acts amendatory thereof and supplemental thereto (collectively, the "Act"), for the purpose of operating airports and aviation facilities including Tampa International Airport, Peter O. Knight Airport, Plant City Airport and Tampa Executive Airport and any additions, extensions and improvements thereto hereafter constructed or acquired (collectively, the "Airport System"); and

WHEREAS, the principal of and interest on said Bonds and all of the other payments provided for herein will be payable solely from the revenues derived from said Airport System and other moneys pledged therefor and the payment thereof shall not constitute an indebtedness of the Authority, the County of Hillsborough, the City of Tampa or any other political subdivision in said County within the meaning of any constitutional or statutory debt limitation or provision nor a lien upon any property of the Authority, said County or City or other political subdivision in said County and no Holder of Bonds issued hereunder shall ever have the right to require or compel the exercise of the ad valorem taxing power of the Authority, said County or City or other political subdivision in said County for the payment thereof; and

WHEREAS, the Authority represents that it has full power and authority to issue the Bonds and to pledge the revenues derived from said Airport System and other moneys pledged therefor pursuant to said Act, and the Authority has taken all actions necessary to authorize its proper officers to acknowledge, execute, sign, seal, and deliver this Trust Agreement and to execute, sign and deliver the Bonds initially issued hereunder; and

WHEREAS, the Bonds to be initially issued and secured hereby, the Trustee's authentication certificate, the validation certificate and the provisions for registration to be endorsed on all of the Bonds issued hereunder are to be substantially in the form set forth in Appendix "A" hereto, with appropriate omissions and insertions or variations permitted or authorized as hereinafter provided;

NOW, THEREFORE, this Trust Agreement witnesseth, that in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the Holders thereof, and also for and in consideration of the sum of One Dollar ($1.00) to the Authority in hand paid by the Trustee at or before the execution and delivery of this Trust Agreement, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become Holders thereof, and in order to secure its obligations under Qualified Hedge Agreements, its reimbursement obligations to the Credit Providers and Liquidity Providers and the payment of all the Bonds at any time issued and Outstanding hereunder and the interest thereon according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein and herein contained, the Authority has pledged and does hereby pledge to the Trustee the revenues derived from the Airport System of the Authority and other moneys pledged therefor, to the extent provided in this Trust Agreement, as security for the payment of the Bonds and the interest thereon and as security for its obligations under Qualified Hedge Agreements, its reimbursement obligations to the Credit Providers and Liquidity Providers, and the satisfaction of any other obligation assumed by it in connection with such Bonds or other obligations, and it is mutually agreed and covenanted by and between the parties hereto, for the equal and proportionate benefit and security of all and singular the present and future Holders of the Bonds issued and to be issued under this Trust Agreement, without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter provided, of any one Bond over any other Bond by reason of priority in the issue, sale or negotiation thereof, or otherwise, and as security for the obligations of the Authority under the Qualified Hedge Agreements and with respect to reimbursement obligations to Credit Providers and Liquidity Providers, as and to the extent herein contemplated, as follows:

ARTICLE I.
DEFINITIONS

Section 1.01 Definitions. In addition to words and terms elsewhere defined herein, the following words and terms as used in this Trust Agreement shall have the following meanings unless some other meaning is plainly intended:

"Act" shall mean Chapter 2022-252, Laws of Florida (2022), as further amended by acts amendatory thereof and supplemental thereto as the same may be adopted from time to time.

"Accrued Aggregate Debt Service Requirement" shall mean, as of any date of calculation and for such period or periods referenced herein, an amount equal to the sum of the amounts of accrued and unpaid Debt Service Requirement with respect to all Series of Bonds then Outstanding for the period in question, calculating the accrued Debt Service Requirement separately with respect to each such Series, provided, however that principal and interest on Bonds, the interest on which has been fixed to maturity, shall be deemed to accrue annually on the basis of a year containing twelve thirty day months.

"Additional Bonds" shall mean Bonds of the Authority authenticated and delivered under and pursuant to the provisions of Sections 2.09 and 2.10 hereof.

"Airport Consultant" shall mean, as the context may require as determined by the Authority, (a) the airport consultant or firm of airport consultants retained by the Authority to perform and carry out the duties imposed on said Airport Consultant by this Trust Agreement

and meeting the requirements of Section 7.05; (b) the insurance consultant or firm of insurance consultants of favorable repute and having national recognition, experience and expertise retained by the Authority to analyze insurance companies and insurance coverages of the type contemplated in Section 7.06; (c) the engineer or engineers at the time employed by the Authority under the provisions of this Trust Agreement to perform and carry out the duties imposed on said Airport Consultants by this Trust Agreement and meeting the requirements set forth in Section 7.05; or (d) the financial advisor to the Authority to perform certain calculations under Sections 2.09 and 2.10 of this Trust Agreement.

"Airport System" shall mean the Tampa International Airport, the Peter O. Knight Airport, the Tampa Executive Airport and the Plant City Airport, and shall also include any additions, extensions and improvements thereto hereafter constructed or acquired from the proceeds of Additional Bonds or from any other sources.

"Airport System Project" means any expansion of, or additions, extensions and improvements to, the Airport System to be constructed or acquired in whole or in part from the proceeds of Additional Bonds.

"Authority" shall mean the Hillsborough County Aviation Authority.

"Authorized Officer" of the Authority shall mean any person or persons designated by the Board of the Authority by resolution to act on behalf of the Authority under this Trust Agreement. The designation of such person or persons shall be evidenced by a written certificate containing the specimen signature of such person or persons and signed on behalf of the Authority by its Chair or Chief Executive Officer.

"Available PFC Revenues" means (i) with respect to the pledge and deposit requirements hereunder, the actual net PFC Revenues collected by the Authority, after all deposit requirements under and with respect to Senior PFC Indentures and (ii) for any historical or projected twelve month period relating to compliance with the parity Additional Bonds test under Section 2.09 or for purposes of determining compliance with the Rate Covenant under Section 5.01, the actual net PFC Revenues collected or projected to be collected by the Authority during such period, less an amount equal to 100% of the Maximum Bond Service Requirement on the Senior PFC Indebtedness, if any, Outstanding at the time of such calculation. PFC Revenues may only be treated as Available PFC Revenues to the extent they are then included in the definition of Revenues and are pledged hereunder.

"Bond Counsel" means any attorney at law or firm of attorneys of nationally recognized standing in matters relating to the validity of, and the exclusion from gross income for federal income tax purposes of interest on, obligations of states and their political subdivisions.

"Bond Insurer" means, any bond insurance company or companies issuing a policy or policies which insure the payment of the principal of and interest on any Additional Bonds.

"Bond Obligation" means, as of the date of computation, the sum of: (i) the principal amount of all Bonds then Outstanding paying interest at least annually, and (ii) if capital appreciation bonds are issued pursuant to a Supplemental Trust Agreement, the compounded

amount of such capital appreciation bonds as provided in such Supplemental Trust Agreement pursuant to Section 11.05(A) hereof.

"Bond Service Requirement" means for a given Bond Year the remainder after subtracting any accrued and capitalized interest for that year that has been deposited into the Interest Account in the Sinking Fund or separate subaccounts in the Construction Fund for that purpose, from the sum of:

(1) The amount required to pay the interest coming due on Bonds during that Bond Year;

(2) The amount required to pay the principal of Serial Bonds in that Bond Year, and the principal of Term Bonds maturing in that Bond Year that are not included in the Sinking Fund Installments for such Term Bonds;

(3) The Sinking Fund Installments for all series of Term Bonds for that Bond Year; and

(4) The premium, if any, payable on all Bonds required to be redeemed in that Bond Year in satisfaction of the Sinking Fund Installment.

If Variable Rate Bonds or lines of credit are then Outstanding, the interest rate on such Bonds or lines of credit for purpose of determining the Bond Service Requirement shall be calculated pursuant to the provisions included in the definition of Debt Service Requirement herein.

For purposes of calculating the Bond Service Requirement with respect to Designated Maturity Bonds, the unamortized principal coming due on any date that exceeds twenty-five percent (25%) of the original principal amount of such Designated Maturity Bonds and which the Authority reasonably anticipates it will refinance on maturity, as reflected in the Annual Budget and/or a certificate of the Chief Financial Officer, shall not be included, and in lieu thereof there shall be included in the Bond Service Requirement for the Bond Year in which such amount becomes due and in each subsequent Bond Year during a period not to exceed thirty (30) years from the original issue date of such Designated Maturity Bonds, only the principal amount thereof the Authority certifies that it reasonably anticipates to become due in each such Bond Year, taking into account any such anticipated refinancing of such Designated Maturity Bonds.

"Bond Year" means the annual period beginning on the first day of October of each year and ending on the last day of September of the following year; provided that when such term is used to describe the period during which deposits are to be made to amortize the principal and interest on the Bonds maturing or becoming subject to mandatory redemption, the principal and interest maturing or becoming subject to redemption on October 1 of any year shall be deemed to mature or become subject to redemption on the last day of the preceding Bond Year.

"Bonds" shall mean, except where the context refers to particular Bonds, all Bonds issued and Outstanding hereunder and any Additional Bonds authenticated and delivered pursuant to Sections 2.09 and 2.10 hereof but shall not include any Special Purpose Bonds issued pursuant to Article XIII hereof.

"Book Entry Bond" shall mean a Bond issued to, and (except as otherwise provided in Section 2.04) restricted to being registered in the name of, a Securities Depository for the Participants in such Securities Depository or Beneficial Owners.

"Book-Entry System" means the system of registration and beneficial ownership contemplated in Section 2.04 hereof.

"Business Day" means, except as otherwise provided in a Supplemental Trust Agreement with respect to a Series of Bonds issued hereunder, any day except Saturday, Sunday or any day on which banking institutions located in the states of New York or Florida are required or authorized to close or on which the New York Stock Exchange is closed.

"Cede" means Cede & Co., as nominee of DTC.

"Chairman" means the Chairman, Vice Chairman or any other officer designated by the Authority to execute documents in accordance with the provisions hereof.

"Code" means the Internal Revenue Code of 1986, as amended, or any applicable corresponding provision of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context hereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of Treasury (including applicable final regulations and temporary regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

"Credit Facility" shall mean, with respect to the Bonds of a Series or a maturity within a Series, an insurance policy, letter of credit, surety bond or any other similar obligation acquired or secured by the Authority, under which the Credit Provider is unconditionally obligated to pay when due, the principal of and interest on such Bonds as the same become due, directly or after the Authority has defaulted in the payment thereof. The term "Credit Facility" shall not include any secondary market facilities to which the Authority shall not have expressly consented.

"Credit Provider" shall mean person or entity that is designated in a Supplemental Trust Agreement as a Credit Provider with respect to a Series of Bonds or portion thereof issued hereunder, and that provides a Credit Facility to secure such Bonds.

"Debt Service Requirement" for any period shall mean, as of any date of calculation and with respect to any Series, an unpaid amount equal to the sum of (i) interest accruing during such period on Bonds of such Series, except to the extent that such interest is to be paid from deposits into the Interest Account in the Sinking Fund made from the proceeds of Bonds (including amounts, if any, transferred thereto from the Construction Fund) and (ii) that portion of each Principal Installment for such Series coming due on the next respective Principal Installment due date within each applicable Fiscal Year (including for this purpose the first day of the following Fiscal Year and excluding the first day of the current Fiscal Year) that would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date to the next succeeding Principal Installment due date. If there shall be no such preceding Principal Installment due date, then principal shall be deemed to

accrue daily from a date one year preceding the next succeeding due date of such Principal Installment, or from the date of issuance of the Bonds of such Series, whichever date is later.

The calculation of the Debt Service Requirement hereunder shall be subject to the following rules:

(1) Interest and Principal Installments for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof.

(2) Tender option features of any Option Bond shall be ignored for purposes of this calculation.

(3) If the calculation of the Reserve Requirement for any separate account in the Reserve Fund created for a specific Series of Bonds takes into account the Debt Service Requirement, then, for purposes of such calculation, the Debt Service Requirement shall be calculated only with respect to the Bonds of the Series secured thereby.

(4) With respect to Bonds which are Variable Rate Bonds:

(A) the interest rate on such Bonds for any period prior to the date of calculation shall be the actual interest borne by such Bonds from the last Interest Payment Date through the date of calculation; and

(B) for any forward looking period after the date of calculation, (1) if the interest on such Variable Rate Bonds was intended at the time of issuance to be excluded from the gross income of the holders thereof for federal tax purposes, the interest rate on such Bonds shall be assumed to be the average of the SIFMA Municipal Swap Index for the twelve full months preceding the date of calculation, plus 0.25% per annum, or (2) if the interest on such Variable Rate Bonds is expected at the time of issuance to be included in the gross income of the holders thereof for federal tax purposes, the interest rate on such Bonds shall be assumed to be the Term SOFR Rate on the date of calculation, plus 0.25% per annum.

(5) If the Authority has entered into a Qualified Hedge Agreement with respect to Derivative Bonds, the interest on such Bonds (but only during the related Derivative Period) shall be calculated by adding (x) the amount of interest payable by the Authority on such Derivative Bonds pursuant to its terms (applying, as appropriate, the assumptions for Variable Rate Bonds set forth above) and (y) the Qualified Hedge Payments payable by the Authority under the related Qualified Hedge Agreement(s), based on a notional amount equal to the principal amount of the Derivative Bonds and the interest rate assumptions stated therein (applying, as appropriate, the assumptions for Variable Rate Bonds set forth above to any variable rate payable by the Authority under such Qualified Hedge Agreement(s), whether or not such variable rate is the SIFMA Municipal Swap Index or the Term SOFR Rate), and subtracting (z) the Qualified Hedge Receipts payable by the counterparty(ies) under the related Qualified Hedge Agreement(s), using the same notional amount and the interest rate assumptions stated therein (applying, as appropriate, the assumptions for Variable Rate Bonds set forth above to any variable rate to be made by such counterparty(ies) under the related Qualified Hedge

Agreement(s), whether or not such variable rate is the SIFMA Municipal Swap Index or the Term SOFR Rate); provided, however, that (A) Derivative Non-Scheduled Payments and Derivative Non-Scheduled Receipts due or that may become due under any Qualified Hedge Agreement(s) shall not be taken into account and (B) from and after the expiration or termination of a Qualified Hedge Agreement relating to Derivative Bonds, the amount of interest payable on such Derivative Bonds shall be the interest calculated pursuant to the terms of such Derivative Bonds as if such Qualified Hedge Agreement had not been executed.

(6) Payments arising from mandatory redemption (other than from Sinking Fund Installments) shall be ignored.

(7) For purposes of calculating the Debt Service Requirement with respect to Designated Maturity Bonds, the unamortized principal coming due on any date that exceeds twenty-five percent (25%) of the original principal amount of such Designated Maturity Bonds and which the Authority reasonably anticipates it will refinance on or before the maturity thereof, as reflected in the Annual Budget and/or a certificate of the Chief Financial Officer, shall not be included, and in lieu thereof there shall be included in the Bond Service Requirement for the Bond Year in which such amount becomes due and in each subsequent Bond Year during a period not to exceed thirty (30) years from the original issue date of such Designated Maturity Bonds, only the principal amount thereof the Authority certifies that it reasonably anticipates to become due in each such Bond Year, taking into account any such anticipated refinancing of such Designated Maturity Bonds.

(8) Lines of credit (whether or not revolving), issued as Additional Bonds under the provisions of this Trust Agreement may be deemed to be fully drawn on the date of issuance and amortized in accordance with such agreements or if no amortization schedule is provided under any such agreement or if a line of credit would qualify as Designated Maturity Bonds, then it shall be amortized in accordance with the assumptions set forth in subsection (7) above. If a line of credit is deemed to be fully drawn on the date of issuance and satisfies the requirements for the issuance of such Bonds hereunder, amounts thereunder may be advanced thereunder without any further limitations herein for the incurrence of additional Bonds; provided, however, a line of credit may at the discretion of the Authority be deemed issued only to the extent of each advance and such advance shall be subject to the satisfaction of the conditions herein for the incurrence of additional Bonds. The assumptions of whether fully drawn or partially drawn for advances under a line of credit may be modified upon satisfaction of the applicable conditions precedent for the incurrence of additional Bonds and evidenced by a certificate of the Authority evidencing the change in such assumptions.

"Derivative Bond" means one or more Bonds of a Series for which the Authority shall have entered into a Qualified Hedge Agreement, as identified in a Supplemental Trust Agreement with respect to such Bonds or pursuant to a certificate of an Authorized Officer filed with the Trustee.

"Derivative Non-Scheduled Payments" means (without duplication) payments due from the Authority (other than Qualified Hedge Payments) under a Qualified Hedge Agreement, including without limitation (i) any termination payments (whether as a result of optional, elective, early or mandatory termination), (ii) any periodic payments not based on notional

amounts or indices to keep such Qualified Hedge Agreement in effect, and (iii) any payments in respect of fees, costs, indemnities, interest or expenses with respect to such Qualified Hedge Agreement.

"Derivative Non-Scheduled Receipts" means (without duplication) payments due to the Authority (other than Qualified Hedge Receipts) under a Qualified Hedge Agreement, including without limitation, (i) any termination payments (whether as a result of optional, elective, early or mandatory termination), (ii) any periodic payments not based on notional amounts or indices to keep a Qualified Hedge Agreement in effect, and (iii) any payments in respect of fees, costs, indemnities, interest or expenses with respect to such Qualified Hedge Agreement.

"Derivative Period" means the period during which a Qualified Hedge Agreement is in effect with respect to related Derivative Bonds.

"Designated Maturity Bonds" means all of the Bonds of a Series so designated by the Authority by a Supplemental Trust Agreement or certificate executed in connection with the issuance thereof, more than twenty-five percent (25%) of the original principal amount of which matures in a single Bond Year and for which no mandatory debt service redemption requirements have been established therefor.

"DTC" means The Depository Trust Company, New York, New York or any substitute securities depository appointed pursuant to Section 2.04.

"DTC Participant" means one of the entities which is a member of the Securities Depository and deposits securities, directly or indirectly, in the Book-Entry System.

"EMMA" means the Electronic Municipal Market Access system operated by the Municipal Securities Rulemaking Board (MSRB), or any other municipal market access site designated by the U. S. Securities and Exchange Commission as an official source for municipal securities data and disclosure documents.

"Fitch" means Fitch Ratings, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority by notice to the Trustee.

"Fiscal Year" for the purposes of this Trust Agreement shall mean the period beginning with and including October 1 of each year and ending with and including the next September 30th.

"Gross Revenues" or "Revenues" shall mean Qualified Hedge Receipts and all rates, fees, rentals or other charges or income received by the Authority or accrued to the Authority from the operation of the Airport System, all as calculated in accordance with sound accounting practice, and other moneys pledged herein. Such term shall not, however, include gifts, grants, either federal, state or any other public body, ad valorem taxes or moneys paid to the Authority by the City of Tampa or County of Hillsborough, moneys derived by the Authority from Special Purpose Facilities, except ground rentals, or any other moneys not derived from the operation of said Airport System as defined herein. Pursuant to the Supplemental Trust Agreement dated July

1, 2003 and executed in connection with the issuance of the Series 2003 Bonds, "Gross Revenues" or "Revenues" shall include any Available PFC Revenues until Available PFC Revenues have been released from the pledge hereunder in accordance with Section 5.05 thereof. Pursuant to the Supplemental Trust Agreement dated August 1, 2015 and executed in connection with the issuance of the Series 2015 Bonds, "Gross Revenues" or "Revenues" shall not include (i) "customer facility charges" imposed on On-Airport Car Rental Concessionaires as imposed by the Authority pursuant to Resolution 2011-106, as amended by Resolution Nos. 2014-36 and 2015-111, as thereafter amended, supplemented, restated or replaced from time to time (the "On-Airport CFCs"), (ii) "transportation facility charges" imposed on Off-Airport Car Rental Concessionaires pursuant to Resolution 2014-37, as amended, supplemented, restated or replaced from time to time (the "Off-Airport CFCs" and together with the On-Airport CFCs, the "CFCs") and (iii) payments made by Car Rental Concessionaires under their respective concessionaire agreements as contingent fee payments needed, together with CFCs, to enable the Authority to comply with its rate covenant entered into in connection with the issuance of standalone CFC Bonds (the "CFC Contingent Fee Payments"); provided that CFCs and CFC Contingent Fee Payments shall become and be treated as Gross Revenues for purposes of this Trust Agreement to the extent the Authority voluntarily deposits such amounts into the Revenue Fund in applicable Fiscal Years in accordance with the terms of the indenture under which the standalone CFC Bonds are issued.

Until subsequently amended pursuant to Section 11.05, pursuant to a Supplemental Trust Agreement dated September 3, 2015, the following portion of CFCs that become available under Sections 5.05(G) and (I) of the CFC Trust Agreement dated as of September 1, 2015, as amended, have been re-pledged as Gross Revenues hereunder:

(a) (i) forty percent (40%) of operating and maintenance expenses incurred by the Authority and attributable to the APM and (ii) debt service accruing with respect to bonds issued under this Senior Trust Agreement, the proceeds of which were used to pay the cost of prior rental car facilities, and (iii) monthly amortization recovery of the Authority's investments in so called "pay as you go" prior rental car facility projects (Section 5.05(G)), and

(b) funds, at the discretion of the Authority, which may be used to reimburse the Authority for "Rental Revenue Recovery" as determined in accordance with the Concessionaire Agreements (Section 5.05(I)(ii)).

"Holder of Bonds" or "Bondholder", or any similar term shall mean any person who shall be the registered owner of any Outstanding Bond or Bonds as reflected on the registration books maintained by the Trustee as Registrar hereunder.

"Interest Payment Date" means April 1 and October 1 of each year, and such other dates specified as such in the Supplemental Trust Agreement pertaining to each Series of Bonds issued hereunder.

"Liquidity Facility" means a letter of credit, standby bond purchase agreement, line of credit, loan guaranty or similar agreement, by a Liquidity Provider to provide liquidity support to pay the tender price of Option Bonds of any Series or subseries tendered for purchase in accordance with the provisions of any Supplemental Trust Agreement authorizing the issuance of

Option Bonds, in a form reasonably acceptable to any Credit Provider providing a Credit Facility securing such Option Bonds.

"Liquidity Provider" means the provider of a Liquidity Facility, and its successors and permitted assigns, each having been approved by the Credit Provider, if any, providing a Credit Facility securing the Option Bonds to which such Liquidity Facility pertains.

"Maximum Bond Service Requirement" means, as of any particular date of calculation, the largest Bond Service Requirement for any remaining Bond Year, except that with respect to any Bonds for which Sinking Fund Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Sinking Fund Installments to be made in prior Bond Years.

"Moody's" means Moody's Investor Services, Inc. and its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority by notice to the Trustee.

"Municipal Bond Insurance Policy" means the bond insurance policy or policies issued by the Bond Insurer insuring the payment when due of principal and interest on Bonds if, as and to the extent provided therein.

"Operating Expenses" shall mean the current expenses, paid or accrued, of operation, maintenance, and ordinary current repairs of said Airport System and shall include, without limiting the generality of the foregoing, insurance premiums, administrative expenses of the Authority relating solely to the Airport System, including engineering, architectural, legal, airport consultants, and accounting fees and expenses, and fees and expenses of the Trustee, and such other reasonable current expenses as shall be in accordance with sound accounting practice. "Operating Expenses" shall include the fees, costs and expenses of the Trustee, Liquidity Provider, Credit Provider, Tender Agent, Auction Agent, Remarketing Agent and other agents employed by the Authority in connection with one or more series of Bonds issued hereunder, but shall not include any allowance for depreciation or renewals or replacements or obsolescence of capital assets of the Airport System, or any operating expenses of Special Purpose Facilities or airside buildings where the lessees thereof are obligated to pay such operating expenses or capitalized leases regardless of their treatment for accounting purposes.

"Option Bonds" shall mean Bonds which by their terms may be tendered by and at the option of the Holder thereof for payment or purchase by or on behalf of the Authority prior to the stated maturity thereof, or the maturities of which may be extended by and at the option of the Holder thereof.

"Outstanding," "Bonds outstanding" or "Outstanding Bonds," when used with reference to Bonds, shall mean as of any date, Bonds theretofore or thereupon being authenticated and delivered under this Trust Agreement except:

(i) Bonds cancelled (or, in the case of Book Entry Bonds, to the extent otherwise provided in Section 2.04, portions thereof deemed to have been cancelled) by

the Trustee after purchase in the open market or because of payment at or redemption prior to maturity;

(ii) Bonds (or portions of Bonds) for the payment or redemption of which cash funds or direct obligations of the United States of America or any combination, equal to the principal amount or redemption price thereof, as the case may be, together with interest to the date of maturity or redemption date, shall be held in trust under this Trust Agreement and irrevocably set aside for such payment or redemption (whether at or prior to the maturity or redemption date) in accordance with the provisions of Article XII of this Trust Agreement, provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given or provision satisfactory to the Trustee shall have been made for the giving of such notice as provided in Article III or the applicable Supplemental Trust Agreement or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee;

(iii) Bonds which are deemed paid pursuant to Section 3.07 hereof or in lieu of which other Bonds have been authenticated under Section 2.11 of this Trust Agreement;

(iv) Bonds deemed to have been paid as provided in Section 12.01; and

(v) Bonds (or, in the case of Book Entry Bonds, to the extent otherwise provided in Section 2.04, portions thereof) deemed to have been purchased pursuant to the provisions of any Supplemental Trust Agreement in lieu of which other Bonds have been authenticated and delivered as provided in such Supplemental Trust Agreement.

"Paying Agent" shall mean the Trustee and any other banks or trust companies designated by the Authority to serve as Paying Agents hereunder that have agreed to arrange for the timely payment of the principal of, interest on and premiums, if any, with respect to the Bonds to the registered owners thereof.

"Period of Review" shall have the meaning ascribed to that term in Section 2.09(h).

"PFC Act" means the Aviation Safety and Capacity Expansion Act of 1990, Pub. L. 101-508, Title IX, Subtitle B, §§ 9110 and 9111, recodified as 49 U.S.C. § 40117, as amended from time to time.

"PFC Approvals" means the Records of Decision or Final Agency Decisions of the Federal Aviation Administration, made pursuant to the PFC Act and the PFC Regulations, relating to passenger facility charges imposed by the Authority, as the same may be issued and amended from time to time.

"PFC Bonds" means 2003A Bonds (after the projects to be funded by the proceeds thereof have received PFC Approvals for imposition and use) and any Additional Bonds so designated as PFC Bonds by the Authority at the time of issuance and delivery thereof, the proceeds of which are used solely to fund PFC Projects (following PFC Approval thereof), fund

the Reserve Requirement with respect thereto, and pay the costs of issuance thereof (or to refund 2003A Bonds or Additional Bonds meeting such requirements).

"PFC Capital Fund" means the fund by that name established pursuant to Section 5.02 of the Trust Agreement.

"PFC Projects" means those projects for which the imposition and use of PFCs have been approved by one or more PFC Approvals.

"PFC Regulations" means Part 158 of the Federal Aviation Regulations (14 CFR Part 158), as amended from time to time, and any other regulation issued with respect to the PFC Act.

"PFC Revenue Fund" means the PFC Revenue Fund established pursuant to Section 5.02 of the Trust Agreement.

"PFC Revenues" means all revenues received by the Authority from PFCs imposed by the Authority at Tampa International Airport pursuant to the PFC Act, the PFC Regulations and the PFC Approvals, including any interest earned thereon after such revenues have been remitted to the Authority as provided in the PFC Regulations.

"PFCs" or "Passenger Facility Charges" means the passenger facility charges authorized to be charged by the Authority pursuant to the PFC Act and the PFC Regulations, the imposition and use of which has been approved by the Federal Aviation Administration pursuant to PFC Approvals.

"Principal Installment" shall mean, as of any payment date of any Series of Bonds hereunder, (i) the unpaid principal amount of Serial Bonds of such Series scheduled to become due on such principal payment date for which no Sinking Fund Installments have been established, and (ii) the unsatisfied principal amount (determined as provided in Section 5.02(E)) of any Sinking Fund Installments due on such payment date established for Term Bonds of such Series.

"Qualified Hedge Agreement" shall mean any agreement evidenced by any form of master agreement published by the International Swaps and Derivatives Association, Inc., including any schedule thereto, any credit support annex thereto, and any confirmation(s), entered into by the Authority as a debt management tool with respect to the Bonds or a portion thereof issued hereunder such as an interest rate swap, collar, cap, or other functionally similar agreement, between the Authority and a counterparty meeting the Authority's criteria set forth in the Authority's then existing Derivatives Policy, whose long-term unsecured debt at the time of entering into such agreement is rated, or whose obligations are guaranteed by an entity whose long-term unsecured debt at the time of entering into such agreement is rated in one of the three (3) highest rating categories (without regard to gradations) by at least one (1) nationally recognized securities rating agency; provided that the Qualified Hedge Receipts to be paid by the counterparty to the Authority thereunder have been pledged to the payment of the Bonds.

"Qualified Hedge Payments" shall mean the net payment obligations of the Authority arising under a Qualified Hedge Agreement under which the Authority has expressly granted a lien on Revenues securing such obligations on a parity with the lien thereon granted to

Bondholders hereunder, which net payments are calculated on the basis of interest on a notional amount which may correspond with the principal amount of certain Bonds issued hereunder or a particular Series or maturity thereof, based upon a fixed or a variable rate index or formula. Qualified Hedge Payments include only regularly scheduled payments under a Qualified Hedge Agreement determined by reference to interest on a notional amount and shall not include any other payments under such agreement (for example, any Termination Payment, fee for extension, indemnification obligations or other Derivative Non-Scheduled Payments payable to the counterparty).

"Qualified Hedge Receipts" shall mean the net payment obligations of the counterparty to the Authority arising under a Qualified Hedge Agreement which are calculated on the basis of interest on a notional amount which may correspond with the principal amount of certain Bonds issued hereunder, or a particular series or maturity thereof, based upon a fixed or variable rate index or formula. Qualified Hedge Receipts include only regularly scheduled payments under a Qualified Hedge Agreement determined by reference to interest on a notional amount and shall not include any other payments under such agreement (for example, any Termination Payment, fee for extension, indemnification obligations or other Derivative Non-Scheduled Payments payable to the counterparty).

"Rate Covenant" means the Authority's covenant contained in Section 5.01 to impose rates and charges in the manner described therein.

"Rebate Account" means the account by that name created within the Surplus Fund pursuant to Section 5.02(H).

"Reimbursement Obligations" shall mean obligations issued by the Authority to Credit Providers or Liquidity Providers pursuant to Section 2.12 in connection with the execution of any Credit Facility or Liquidity Facility, to evidence the Authority's obligations to repay advances or loans made thereunder.

"Reserve Fund" means the fund created by that name pursuant to Section 5.02 of this Trust Agreement.

"Reserve Account" means the account or accounts in the Reserve Fund created with respect to one or more series of Additional Bonds pursuant to Section 5.02 of this Trust Agreement and the Supplemental Trust Agreement pertaining to such Additional Bonds.

"Reserve Fund Credit Enhancement" means an irrevocable letter of credit, insurance policy, surety bond or other credit enhancement issued to satisfy, in whole or in part, the Authority's deposit requirements under Section 5.02(D) of this Trust Agreement with respect to the Reserve Fund, approved by each applicable Bond Insurer, and issued by a financial institution acceptable to the Bond Insurer, whose claims paying ability is rated at least "A" or "A" by S&P or Moody's, respectively.

"Reserve Requirement" shall mean, with respect to each Series of Bonds for which a separate Reserve Account has not been established, the largest amount of principal, interest and required deposits into the Redemption Account which mature or become due on all such Bonds Outstanding hereunder in any succeeding year, and with respect to each Series of Bonds for

which a separate Reserve Account is established pursuant to the terms hereof, the aggregate amount required to be deposited in such separate Reserve Account, as specified in the respective Supplemental Trust Agreement entered into in connection with the issuance of such Additional Bonds hereunder. If, pursuant to any such Supplemental Trust Agreement, the Authority is authorized to fund the initial designated amount, or deficiencies therein, over time, the Reserve Requirement for any period shall include only the incremental portion of the deposit requirement for that series of Additional Bonds as specified in the Supplemental Trust Agreement authorizing the issuance of such Additional Bonds.[1]

"S&P" means the Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority by notice to the Trustee.

"Securities Depository" shall mean the Depository Trust Company, New York, New York, or its nominee, and its successor and assigns.

"Senior PFC Indebtedness" means bonds, notes or other indebtedness of the Authority issued under a Senior PFC Indenture to pay all or a portion of the cost of PFC Projects, meeting the requirements set forth in Section 7.19 hereof and expressly stated to have a lien on PFC Revenues prior and superior to the lien on PFC Revenues created hereunder.

"Senior PFC Indenture" means any indenture, trust agreement, resolution or other bond document under and pursuant to which the Senior PFC Indebtedness is authorized and issued.

"Serial Bonds" shall mean the Bonds of an issue of Bonds, or any part of an issue of Bonds, except Special Purpose Bonds, maturing in annual installments and the principal of which is payable from moneys deposited in the Principal Account.

"Series" shall mean all of the Bonds authenticated and delivered on original issuance and identified pursuant to this Trust Agreement or pursuant to the Supplemental Trust Agreement authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II or Section 3.05, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

"SIFMA Municipal Swap Index" means the "USD-SIFMA Municipal Swap Index" as such term is defined in the 2000 ISDA Definitions, as amended, published by the International Swaps and Derivatives Association, Inc., or if such index is no longer published, any successor index that the Trustee, in consultation with the Authority, deems substantially equivalent thereto.

"Sinking Fund Installment" shall mean with respect to Term Bond maturities (including the final maturity thereof), the mandatory redemption amounts specified in the Supplemental

[1] An amendment to this definition, as set forth in Exhibit A, is pending and will become effective upon the consent of the holders of all Bonds then Outstanding. Assuming the issuance of the 2024B Bonds, this amendment will become effective once the 2017A Bonds, the 2018B Bonds and the 2018C Bonds have been retired or defeased.

Trust Agreement with respect to the Bonds of such series for each applicable payment date prior to and on the maturity thereof.

"Supplemental Trust Agreement" means an agreement between the Authority and the Trustee, supplemental to the terms hereof, that is executed in accordance with the terms hereof, in connection with the issuance of any series of Additional Bonds or otherwise.

"Tax-Exempt Bonds" shall have the meaning given to that term in Section 11.01(D).

"Term Bonds" shall mean the Bonds of an issue of Bonds, or any part of an issue of Bonds, except Special Purpose Bonds, maturing on one principal maturity date and the principal of which is payable from fixed amounts provided to be deposited in each year in the Redemption Account for the payment of such principal on or prior to maturity.

"Term SOFR Rate" means the Term SOFR reference rate for a one month tenor as administered by the Term SOFR and quoted by Bloomberg Finance L.P., or any quoting service commonly available source. If the Term SOFR Rate shall no longer be determined Term SOFR Administration, Term SOFR Rate shall mean any successor as shall be designated by the Authority. All references in any Supplemental Trust Agreement to LIBOR Index shall be deemed to mean Term SOFR Rate.

"Term SOFR Administrator" means CME Group Benchmark Limited or a successor administrator of the Term SOFR reference rate.

"Trustee" shall mean The Bank of New York Mellon, a New York banking corporation having an office in the City and State of New York (as successor to JPMorgan Chase Bank, N.A.), which is authorized under such laws to exercise corporate trust powers, and its successors in interest, or any other successor Trustee appointed pursuant to Article IX hereof.

"Variable Rate Bond" shall mean any Bond not bearing interest throughout its term at a specified rate or specified rates determined at the time of issuance of the Series of Bonds of which such Bond is one.

Section 1.02 Interpretation. Words of the masculine gender include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Bond," "holder," and "person" shall include the plural as well as the singular number, and the word "person" shall include corporations and associations, including public bodies, as well as natural persons.

ARTICLE II.
FORM, EXECUTION, AUTHENTICATION, DELIVERY AND REGISTRATION OF BONDS

Section 2.01 Form of Bonds. No bonds may be issued under the provisions of this Trust Agreement except in accordance with the provisions of this Article.

The definitive Bonds are issuable initially as fully registered Bonds in denominations of Five Thousand Dollars ($5,000) (or such other minimum denominations specified in the

Supplemental Trust Agreement with respect to a specific Series of Bonds) or any multiple thereof approved by the Authority. The definitive Bonds shall be substantially in the forms hereinabove set forth, with such appropriate omissions and insertions or variations as are permitted or required by this Trust Agreement and with such additional changes as may be necessary or appropriate to comply with the terms of the sale of the Bonds, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

Section 2.02 General Bond Terms. The Bonds shall be dated, shall bear interest from their date until payment and shall mature on such dates, subject to the right of prior redemption, as hereinafter provided.

The Bonds shall be executed by the duly qualified and authorized Chairman of the Authority, either manually or with his facsimile signature, and the official corporate seal of the Authority, or a facsimile thereof, shall be impressed, affixed or imprinted on the Bonds and attested by the manual or facsimile signature of the Secretary of the Authority; provided, however, that at least one of the signatures of the Chairman, Secretary or authenticating agent shall be a manual signature.

In the event that any officer whose signature appears on the Bonds ceases to hold office before the delivery of the Bonds, his signature shall nevertheless be valid and sufficient for all purposes, and also any Bond may bear the signature of, or may be signed by, such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America on their respective dates of payment. The principal of all registered Bonds shall be payable at the principal office of the Trustee, and payment of the interest on each registered Bond shall be made on each interest payment date to the person appearing on the registration books of the Trustee hereinafter provided for as the registered owner thereof, by electronic transfer, check or draft delivered or mailed to such registered owner to its account or at his address as it appears on such registration books. The provisions of this paragraph may be modified or amended as to any series of Additional Bonds issued hereunder by any Supplemental Trust Agreement executed in connection with the issuance of such series of Additional Bonds, and in the event of a conflict between the provisions hereof and such Supplemental Trust Agreement, the provisions of the Supplemental Trust Agreement shall control.

Section 2.03 Authentication. Only the Bonds that shall have endorsed thereon a certificate of authentication substantially in the form herein set forth, duly executed by the Trustee, shall be entitled to any right or benefit under this Trust Agreement. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Trust Agreement. The Trustee's certificate of authentication on any Bond shall be deemed to have been duly executed if manually signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

Section 2.04 Book-Entry System. Except as otherwise provided in a Supplemental Trust Agreement, upon the initial issuance and delivery of the Bonds after January 1, 2006, such Additional Bonds (referred to in this section as "Book Entry Bonds") shall be issued in the name of the Securities Depository or its nominee, as registered owner of the Bonds, and held in the custody of the Securities Depository.

(A) Except as provided in subsections B and C of this Section, the registered Holder of all Book Entry Bonds shall be, and the Book Entry Bonds shall be registered in the name of, Cede & Co., as nominee of DTC. Payment of interest for any Book Entry Bond, as applicable, shall be made in accordance with the provisions of this Trust Agreement to the account of Cede, on the Interest Payment Date for the Book Entry Bonds at the address indicated for Cede in the registration books of the Authority kept by the Trustee as bond registrar (the "Bond Registrar").

(B) The Book Entry Bonds shall be initially issued in the form of a separate single fully registered Bond in the amount of each separate stated maturity of the Book Entry Bonds. Upon initial issuance, the ownership of each such Book Entry Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC. With respect to Book Entry Bonds so registered in the name of Cede, the Authority, the Bond Registrar and any Paying Agent shall have no responsibility or obligation to any DTC Participant or to any Beneficial Owner of any of such Book Entry Bonds. Without limiting the immediately preceding sentence, the Authority, the Bond Registrar and any Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any beneficial ownership interest in the Book Entry Bonds, (ii) the delivery to any DTC Participant, Beneficial Owner or other person, other than DTC, of any notice with respect to the Book Entry Bonds, including any notice of redemption, (iii) the payment to any DTC Participant, Beneficial Owner or other person, other than DTC, of any amount with respect to the principal or Redemption Price of, or interest on, any of the Book Entry Bonds, (iv) the selection by DTC and the DTC Participants of the beneficial interests in Book Entry Bonds of a maturity to be redeemed in the event such Book Entry Bonds are redeemed in part, or (v) any consent given or other action taken by DTC as the Holder of the Book Entry Bonds. The Authority, the Bond Registrar and any Paying Agent may treat DTC as, and deem DTC to be, the absolute Holder of each Book Entry Bond for all purposes whatsoever, including (but not limited to) (a) payment of the principal or Redemption Price of, and interest on, each such Book Entry Bond, (b) giving notices of redemption and other matters with respect to such Book Entry Bonds, (c) registering transfers with respect to such Book Entry Bonds, (d) selecting Book Entry Bonds, or portions thereof, to be redeemed, and (e) obtaining any consent or other action to be taken by Holders, and the Authority, the Bond Registrar and any Paying Agent shall not be affected by any notice to the contrary.

In the event of a redemption of all or a portion of a Book Entry Bond, DTC, in its discretion (i) may request the Trustee to authenticate and deliver a new Book Entry Bond, or (ii) if DTC is the sole Owner of such Book Entry Bond, shall make an appropriate notation on the Book Entry Bond indicating the date and amounts of the reduction in principal thereof resulting

from such redemption, except in the case of final payment, in which case such Book Entry Bond must be presented to the Trustee prior to payment.

The Paying Agent shall pay the principal or Redemption Price of, and interest on, all Book Entry Bonds only to or upon the order of DTC, and all such payment shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to such principal or Redemption Price and interest, to the extent of the sums so paid. Except as provided in Section 2.04(E), no person other than DTC shall receive a Book Entry Bond evidencing the obligation of the Authority to make payments of principal or Redemption Price of, and interest on, any such Book Entry Bond pursuant to this Trust Agreement. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of this Trust Agreement, the word "Cede" in this Trust Agreement shall refer to such new nominee of DTC.

Except as provided in Section 2.04(E), and notwithstanding any other provisions of this Trust Agreement to the contrary, the Book Entry Bonds may be registered, in whole but not in part, only in the name of the DTC or a nominee of DTC or to any successor securities depository appointed pursuant to this Section 2.04 or any nominee thereof.

In order to qualify the Book Entry Bonds for DTC's book-entry system, the Authority may execute and deliver to DTC a letter of representations required by DTC. The execution and delivery of such letter of representations shall not in any way impose upon the Authority, the Trustee, the Bond Registrar or any Paying Agent any obligation whatsoever with respect to persons having interests in such Book Entry Bonds other than DTC as the Registered Owner. Such letter of representations may provide the time, form, content and manner of transmission, of notices to DTC.

(C) DTC may determine to discontinue providing its services with respect to the Book Entry Bonds at any time by giving written notice to the Authority, the Bond Registrar and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Book Entry Bonds under applicable law.

(D) The Authority, in its sole discretion and without the consent of any other person, and upon compliance with any agreements between the Authority and DTC (including a letter of representations), may request termination of the services of DTC with respect to the Book Entry Bonds if the Authority determines that: (i) DTC is unable to discharge its responsibilities with respect to the Book Entry Bonds; or (ii) a continuation of the requirement that all of the Outstanding Book Entry Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC, is not in the best interest of the Beneficial Owner of the Book Entry Bonds. Current DTC rules provide that upon receipt of such a request, DTC will take the following actions: (i) DTC will issue an "Important Notice" notifying its Participants of the receipt of a withdrawal request from the Authority reminding Participants that they may utilize DTC's withdrawal procedures if they wish to withdraw their securities from DTC; and (ii) DTC will process withdrawal requests submitted by Participants in the ordinary course of business, but will not effectuate withdrawals based upon a request from the Authority. The Authority shall, by written notice to the Bond Registrar, terminate the services of DTC with respect to the Book Entry Bonds upon receipt by the Authority, the Bond Registrar and the

Paying Agent of written notice from DTC to the effect that DTC has received written notice from DTC Participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the Outstanding Book Entry Bonds to the effect that: (i) DTC is unable to discharge its responsibilities with respect to the Book Entry Bonds; or (ii) a continuation of the requirement that all of the Outstanding Book Entry Bonds be registered in the registration books kept by Registrar, in the name of Cede, as nominee of DTC, is not in the best interests of the Beneficial Owner of the Book Entry Bonds.

(E) Upon the termination of the services of DTC with respect to the Book Entry Bonds pursuant to subsection (D), or upon the discontinuance or termination of the services of DTC with respect to the Book Entry Bonds pursuant to subsection (B) or subsection (C), the Authority may within 90 days thereafter appoint a substitute Securities Depository which, in the opinion of the Authority, is willing and able to undertake the functions of DTC hereunder upon reasonable and customary terms. If no such successor can be found within such period, the Book Entry Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar, in the name of Cede, as nominee of DTC. In such event the Authority shall execute and the Bond Registrar shall authenticate Book Entry Bond certificates as requested by DTC of like principal amount, maturity and Series, in authorized denominations and the Bond Registrar shall deliver such certificates at its corporate trust office to the Beneficial Owners identified in writing by the Securities Depository in replacement of such beneficial owners' beneficial interests in the Book Entry Bonds.

(F) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as any Book Entry Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or Redemption Price of, and interest on, such Book Entry Bond and all notices with respect to such Book Entry Bond shall be made and given, respectively, to DTC as the registered Holder of such Bonds.

(G) In connection with any notice or other communication to be provided to Holders of Book Entry Bonds registered in the name of Cede pursuant to this Trust Agreement by the Authority or the Bond Registrar with respect to any consent or other action to be taken by such Holders, the Authority shall establish a record date for such consent or other action by such Holders and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

NEITHER THE AUTHORITY NOR THE REGISTRAR WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO THE DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (2) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT, SINKING FUND INSTALLMENT FOR, REDEMPTION PRICE OF OR INTEREST ON THE BOOK ENTRY BONDS; (3) THE DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND RESOLUTION TO BE GIVEN TO BONDHOLDERS; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY

PARTIAL REDEMPTION OF THE BOOK ENTRY BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY CEDE & CO. AS THE NOMINEE OF DTC, AS REGISTERED OWNER.

SO LONG AS CEDE & CO IS THE REGISTERED OWNER OF THE BOOK ENTRY BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDHOLDERS OR REGISTERED HOLDERS OF THE BOOK ENTRY BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BOOK ENTRY BONDS.

Section 2.05 Registration and Transfer. The Authority shall cause books for the registration and for the transfer of Bonds as provided in this Trust Agreement to be kept by the Trustee as Bond Registrar. Any Bond may be transferred only upon the books kept for the registration and transfer of Bonds, upon surrender thereof to the Bond Registrar together with an assignment, duly executed by the registered owner or his attorney in such form as shall be satisfactory to the Bond Registrar. Upon the transfer of any such registered Bond the Authority shall thereupon execute in the name of the transferee and the Trustee shall authenticate and deliver a new registered Bond or Bonds, of the same maturity and bearing interest at the same rate, of any denomination or denominations authorized by this Trust Agreement, in an aggregate principal amount equal to the principal amount of such registered Bond, or the unredeemed portion thereof, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be transferred hereunder, the Authority shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Trust Agreement. All Bonds surrendered in any such exchange or transfer shall forthwith be cancelled by the Trustee. Except as otherwise provided in this Trust Agreement, the Authority or the Trustee may make a charge for every such exchange or transfer of Bonds sufficient to reimburse them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, and in addition the Authority or the Trustee may charge a sum sufficient to reimburse them for any expenses incurred in connection with the issuance of each new Bond delivered upon such exchange or transfer, and such charge or charges shall be paid before any such new Bond shall be delivered. Neither the Authority nor the Trustee shall be required to make any such exchange or transfer of Bonds during the ten (10) days next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, after such Bond or any portion thereof has been selected for redemption.

Section 2.06 Registered Owners. The person in whose name a Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bond and the interest on any such registered Bond shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon to the extent of the sum or sums so paid. The Authority, the Trustee, the Bond Registrar and the Paying Agents may deem and treat the registered owner of any Bond, as the absolute owner of such Bond for all purposes hereof, whether such Bond shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever and neither the Authority, the Trustee, the Bond Registrar nor the Paying Agents shall be affected by any notice to the contrary.

Section 2.07 [Intentionally Deleted].

Section 2.08 [Intentionally Deleted].

Section 2.09 Additional Bonds. To the extent necessary to provide funds to pay the cost of constructing or acquiring additions, extensions and improvements to said Airport System (each being referred to herein as an "Airport System Project"), Additional Bonds may be issued under and secured by this Trust Agreement, at one time or from time to time, in addition to the Bonds issued under the provisions of Section 2.10 of this Article. Such Additional Bonds shall be dated, shall bear interest at a rate or rates not exceeding the legal rate, and shall mature in such years and amounts, all as shall be hereafter determined by resolution of the Authority and specified in the supplemental trust agreement entered into in connection with the issuance of such Additional Bonds.

Such Additional Bonds shall be executed substantially in the form and manner herein set forth, with such changes as may be necessary or appropriate to conform to the provisions of the resolution authorizing the issuance of such Additional Bonds, and deposited with the Trustee for authentication, but before such Additional Bonds shall be authenticated and delivered by the Trustee, there shall be filed with the Trustee the following:

(a) A certified copy of a resolution adopted by the Authority, certified by the Secretary of the Authority, authorizing the issuance of such Additional Bonds;

(b) A certified copy of a resolution adopted by the Authority, certified by the Secretary of the Authority, awarding such Additional Bonds, specifying the interest rate or rates of such Additional Bonds and directing the authentication and delivery of such Additional Bonds to or upon the order of the purchasers therein named upon payment of the purchase price therein set forth;

(c) [Intentionally Deleted.]

(d) [Intentionally Deleted.]

(e) [Intentionally Deleted.]

(f) Certificates, to be executed respectively by the Trustee and the Authority with respect to the funds and accounts held by each, stating that all payments into the Sinking Fund, the Reserve Fund and the Operation and Maintenance Fund have been made in full, as required by this Trust Agreement to the date of delivery of such Additional Bonds, that such accounts are current, and that there are no deficiencies in the amounts required to be on deposit therein. The Authority shall also certify that all payments into the various other Funds and Accounts herein provided for have been made in full as required by this Trust Agreement to the date of delivery of the Additional Bonds or, if any such deficiency exists, a statement by the Authority that (i) such funds and accounts were fully funded as of the last day of the prior Fiscal Year and (ii) the Authority has made arrangements through proposed rate increases, cost reductions or otherwise, to cause such funds and accounts to be fully funded and current as of the last day of the current Fiscal Year;

(g) An opinion of counsel for the Authority stating that the signer is of the opinion that the issuance of such Additional Bonds has been duly authorized, that all conditions precedent to the delivery of such Additional Bonds has been fulfilled, and that said Additional Bonds have been duly sold in accordance with all requirements of Florida law; and

(h) Either of the following:

(x) A statement signed by the Chief Executive Officer or Executive Vice President of Finance and Procurement, or equivalent officer, of the Authority to the effect that the Authority's Revenues for the last Fiscal Year preceding the issuance of such Additional Bonds for which audited statements are available (provided that the last day of the latest audited Fiscal Year falls within the 24 month period immediately preceding the issuance of such Additional Bonds), were not less than the sum of (i) all amounts required to be deposited in the Operation and Maintenance Fund, the Reserve Fund, including in each case all accounts therein, and any funds required to be set aside for the payment of subordinated indebtedness in such Fiscal Year, plus (ii) One Hundred twenty-five percent (125%), of the Maximum Bond Service Requirement in any succeeding Fiscal Year on account of the Bonds of each Series then Outstanding (including the Additional Bonds proposed to be issued but excluding those Outstanding Bonds to be defeased by the issuance of such Additional Bonds); or

(y) A statement of the Airport Consultant that in his opinion, the Revenues to be derived from the Airport System during the Fiscal Year in which such Additional Bonds are issued and for each Fiscal Year thereafter through the Period of Review referred to below, taking into account, among other factors, increases in rates, fees, rentals and charges, shall not be less than the sum of (i) all amounts required to be deposited into the Operation and Maintenance Fund and the Reserve Fund, including in each case all accounts therein, and any funds required to be set aside for the payment of subordinated indebtedness during the Period of Review, plus (ii) One Hundred Twenty-Five percent (125%) of the Bond Service Requirement in each such corresponding Fiscal Year during the Period of Review, on account of the Bonds of each Series then Outstanding (including the Additional Bonds proposed to be issued but excluding those Outstanding Bonds to be defeased by the issuance of such Additional Bonds).

For purposes of this Trust Agreement, the "Period of Review" shall be that period beginning on the first day of the Fiscal Year of the Authority in which such Additional Bonds are issued and ending on the last day of the Fiscal Year during which either of the following two events shall occur: (i) the fifth anniversary of the date of issuance of such Additional Bonds or (ii) the third anniversary of the later to occur of the scheduled completion date of the project to be financed with proceeds of such Additional Bonds or the date on which capitalized interest with respect to such project has been exhausted, whichever date described in clause (i) or clause (ii) is later.

For purposes of this requirement, moneys remaining in the Surplus Fund at the end of any Fiscal Year which the Authority elects to redeposit into the Revenue Fund in the following Fiscal Year may be considered as Revenues in the Fiscal Year in which they are, or are projected to be so redeposited; provided that without regard to the use of such funds, the Authority shall have collected, or shall be projected to collect, as the case may be, sufficient rates and charges under its Rate Covenant so that the actual or projected Revenues, as the case may be, for the Fiscal

Year or years in question, were, or are projected to be, at least sufficient to pay 100% of the yearly deposit requirements into the Operation and Maintenance Fund, the Sinking Fund, the Reserve Fund and subordinated indebtedness accounts, without regard to carry over amounts from the Surplus Fund.

If Available PFC Revenues are included in determining compliance with the foregoing requirements, the following rules will apply:

(i) Airport Consultant may assume (a) that the rate of the levy of Passenger Facility Charges constituting a part of the PFC Revenues in effect on the date of issuance of such Series will be in effect for the entire forecast period, and (b) a higher rate to the extent legislation has been enacted to permit an increase in Passenger Facility Charges if the Authority has taken all action required to impose and use such increased charges at Tampa International Airport pursuant to such legislation prior to the date of the Airport Consultant's report;

(ii) The Airport Consultant, in making its forecast shall assume that the percentage of enplaned passengers subject to Passenger Facility Charges during the forecast period will not exceed the average percentage during the three fiscal years immediately preceding the year the report of the Airport Consultant is issued;

(iii) Available PFC Revenues, so long as they are pledged as Revenues under this Trust Agreement, may be taken into account in determining compliance with the requirements of Section 2.09(h)(x), in an amount equal to the lesser of (A) the Available PFC Revenues reflected in the statement of the independent certified public accountant and (B) the lowest amount of Available PFC Revenues the Authority estimates, based on its then existing PFC Approvals, will be available during the Period of Review; and

The amount of Available PFC Revenues included in determining compliance with the requirements of Section 2.09(h)(x) or (y) shall be limited to Available PFC Revenues in an amount not to exceed 125% of the Maximum Bond Service Requirement on the Outstanding PFC Bonds, and the PFC Bonds, if any, proposed to be issued, or such lesser amount as may be required under the PFC Act, PFC Regulations and PFC Approvals as in effect from time to time.

The Trustee will not authenticate and deliver Additional Bonds until it shall have first received the statement required by subparagraph (x) or (y) above.

When the documents mentioned above shall have been filed with the Trustee and when the Additional Bonds described in the resolutions mentioned in clauses (a) and (b) of this Section have been executed and authenticated as required by this Trust Agreement, the Trustee shall deliver such Additional Bonds to or upon the order of the purchasers named in the resolution mentioned in clause (b) of this Section, but only upon payment to the Trustee of the purchase price of such Additional Bonds. The Trustee shall be entitled to rely upon such resolution as to the names of the purchasers and the amount of such purchase price.

Such Additional Bonds shall be on a parity and rank equally with all other Bonds issued under this Trust Agreement as to lien on and source and security for payment from the Revenues and other income derived from said Airport System and other moneys pledged therefor (except

that Additional Bonds for which a special account in the Reserve Fund is established at the time of issuance thereof shall look solely to the Reserve Fund Credit Enhancement with respect to such Additional Bonds or to the cash deposited into a special account in the Reserve Fund established solely for the benefit of such Additional Bonds) and in all other respects, and upon the issuance of any such Additional Bonds all payments into the Sinking Fund and the separate accounts therein and the Reserve Fund (but only to the extent that a cash deposit to the Reserve Fund with respect to such Additional Bonds is required by Section 5.02(C) hereof) shall be proportionately increased as necessary over the amounts required by this Trust Agreement to be deposited therein for any other Bonds then Outstanding and secured by this Trust Agreement, and all of the provisions of this Trust Agreement, except as to details inconsistent therewith, shall apply to and be for the benefit and security and protection of the holders of such Additional Bonds as fully and to the same extent as for the holders of any other Bonds then Outstanding and secured by this Trust Agreement.

The proceeds (excluding accrued interest, and any amounts of capitalized interest which the Authority shall deem necessary or advisable for said Additional Bonds, which shall be deposited in the Interest Account in the Sinking Fund) of all Additional Bonds issued under the provisions of this Section shall be deposited to the credit of a Construction Fund to be created and established pursuant to Article IV hereof for said issue of Additional Bonds and used to pay the cost of the construction and acquisition of said additions, extensions and improvements to said Airport System.

Section 2.10 Refunding Bonds. The Authority may issue Additional Bonds hereunder without complying with the requirements of Section 2.09(h) above:

(A) to complete projects specifically authorized and theretofore funded with Additional Bonds under this Trust Agreement, provided that the aggregate principal amount of such completion Bonds does not exceed 15% of the aggregate principal amount of the Bonds or portions of Bonds issued to fund such projects, and

(B) to refund any Bond or Bonds Outstanding hereunder, provided that prior to the issuance of refunding Bonds under this Section 2.10, the Airport Consultant or another qualified independent consultant must deliver to the Trustee a statement stating (i) that, in each Fiscal Year, the debt service with respect to the refunding Bonds will be equal to or less than the debt service with respect to the Bonds to be refunded, or (ii) (a) that the aggregate debt service with respect to all Bonds Outstanding after the issuance of the refunding Bonds (excluding the Bonds to be refunded and including the refunding Bonds) will be equal to or less than the aggregate debt service with respect to all Bonds Outstanding prior to the issuance of the refunding Bonds, and (b) that the Maximum Bond Service Requirement with respect to all Bonds Outstanding after the issuance of the refunding Bonds (excluding the Bonds to be refunded and including the refunding Bonds) will be equal to or less than the Maximum Bond Service Requirement on all Bonds Outstanding prior to the issuance of the refunding Bonds. For purposes of the foregoing, if the Outstanding Bonds or the proposed refunding Additional Bonds, or both, include Variable Rate Bonds, the assumed interest rate thereon for purposes of the foregoing calculations shall be determined in accordance with the procedures set forth in the definition of Debt Service Requirement herein, determined on or as of the date of calculation.

Section 2.11 Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bonds shall become mutilated or be improperly cancelled, or be destroyed, stolen or lost, the Authority may, in its discretion, adopt a resolution and thereby authorize the issuance and delivery of a new Bond of like tenor as the Bond so mutilated, improperly cancelled, destroyed, stolen or lost, in exchange and substitution for such mutilated or improperly cancelled Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, upon the holder furnishing the Authority and the Trustee proof of his ownership thereof and proof of such mutilation, improper cancellation, destruction, theft or loss satisfactory to the Authority and the Trustee, upon his giving to the Authority and the Trustee an indemnity bond in such amount as they may require, and upon his compliance with such other reasonable regulations and conditions as they prescribe and paying such expenses as they may incur. All Bonds so surrendered shall be cancelled by the Trustee and held for the account of the Authority. If any Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Authority may cause the same to be paid upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section shall constitute original, additional contractual obligations on the part of the Authority, whether or not the lost, stolen or destroyed Bonds be at any time found by anyone. Such duplicate Bonds shall in all respects be identical with those replaced except that they shall bear in their face the following additional clause:

"This Bond is issued to replace a lost, stolen, cancelled or destroyed Bond."

Such duplicate Bonds shall be signed by the same officers who signed the original Bonds, provided, however, that in the event the officers who executed the original Bonds no longer hold office, then the new Bonds shall be signed by the officers then in office. Such duplicate Bonds shall be entitled to equal proportionate benefits and rights as to lien and source and security for payment from the Revenues derived from said Airport System as provided herein with all other Bonds issued hereunder, the obligations of the Authority upon the new Bonds being identical with its obligations upon the original Bonds and the rights of the holder being the same as those conferred by the original Bonds.

Section 2.12 Reimbursement Obligations.

(A) One or more issues of Reimbursement Obligations may be issued concurrently with the issuance of the Bonds of a Series authorized pursuant to the provisions of this Article II for which a Credit Facility or Liquidity Facility, or both, is being provided with respect to such Bonds (or a maturity or maturities) by a third party. Such Reimbursement Obligations shall be issued for the purpose of evidencing the Authority's obligation to repay any advances or loans made to, or on behalf of, the Authority in connection with such Credit Facility or Liquidity Facility; provided, however, that the stated maximum principal amount of any such issue of Reimbursement Obligations shall not exceed the aggregate principal amount of the Bonds with respect to which such Credit Facility or Liquidity Facility is being provided, plus such number of days' interest thereon as the Authority shall determine prior to the issuance thereof, but not in excess of 366 days' interest thereon, computed at the maximum interest rate applicable thereto.

(B) Except as otherwise provided in a Supplemental Trust Agreement authorizing an issue of Reimbursement Obligations, for the purposes of (i) receiving payment of a Reimbursement Obligation, whether at maturity or upon redemption or (ii) computing the principal amount of Bonds held by the Holder of a Reimbursement Obligation in giving to the Authority any notice, consent, request, or demand pursuant to this Trust Agreement for any purpose whatsoever, the principal amount of a Reimbursement Obligation shall be deemed to be the actual principal amount that the Authority shall owe thereon, which shall equal the aggregate of the amounts advanced to, or on behalf of, the Authority in connection with the Bonds of the Series or portions thereof for which such Reimbursement Obligation has been issued to evidence the Authority's obligation to repay any advances or loans made in respect of any Credit Facility or Liquidity Facility provided for such Bonds, less any prior repayments thereof.

Section 2.13 Qualified Hedge Agreements.

(A) The Authority may, to the extent permitted by law, enter into one or more Qualified Hedge Agreements concurrently with or at any time after the issuance of the Bonds hereunder.

(B) Before effecting any transaction under a Qualified Hedge Agreement, there shall be provided to the Trustee an opinion of Bond Counsel that the Authority's execution, delivery and performance of the Qualified Hedge Agreement will not, in and of themselves cause the interest on such Bonds not to be excludable from gross income for federal income tax purposes.

(C) Unless the counterparty to any Qualified Hedge Agreement shall agree that hedge payments with respect thereto shall be subordinate to payments on the Bonds or shall be unsecured, (i) the Authority shall by Supplemental Trust Agreement prior to the effective date of such Qualified Hedge Agreement cause the Qualified Hedge Receipts thereunder to be pledged as part of the trust estate securing the Bonds and (ii) Qualified Hedge Payments under such Qualified Hedge Agreement shall be on parity with interest payments on the Bonds, all in the manner and to the extent specified in Section 5.02(B). Qualified Hedge Payments under any Qualified Hedge Agreement shall only be paid in the manner and to the extent specified in Section 5.02(B). Neither Qualified Hedge Payments nor other payments due under any Qualified Hedge Agreement shall be secured by funds on deposit in the Operation and Maintenance Fund or funds on deposit in the Construction Fund.

ARTICLE III.
REDEMPTION OF BONDS

Section 3.01 Privilege of Redemption. The Bonds initially issued under the provisions of this Trust Agreement may have such provisions for redemption prior to maturity and at such price or prices as the Authority shall hereafter determine by resolution adopted prior to the sale of such Bonds.

If less than all of the Outstanding Bonds shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be in the inverse order of maturities and by lot within maturities if less than a full maturity to be selected by lot by the Trustee in such manner as the Trustee, in its discretion may determine; provided, that the portion of any registered Bond

to be redeemed shall be in the principal amount of Five Thousand Dollars ($5,000) or some multiple thereof, and that, in selecting Bonds for redemption, the Trustee shall treat each registered Bond as representing that number of Bonds which is obtained by dividing the principal amount of such registered Bond by Five Thousand Dollars ($5,000).

Any Additional Bonds hereafter issued pursuant to Sections 2.09 or 2.10 hereof may be redeemable prior to their stated dates of maturity at such price or prices and under such terms and conditions as shall be provided in the Supplemental Trust Agreement or the proceedings which authorize the issuance of such Additional Bonds.

Section 3.02 Notice of Redemption. Except as otherwise provided in a Supplemental Trust Agreement with respect to a particular Series of Additional Bonds issued hereunder, a notice of any such redemption, either in whole or in part, signed by the Trustee (a) shall be submitted to EMMA once by the Trustee at least twenty (20) days before the redemption date, (b) shall be filed with the Paying Agents, and (c) shall be mailed, postage prepaid, or delivered electronically to all registered owners of Bonds or portions of Bonds to be redeemed at their addresses as they appear on the registration books hereinabove provided for; but failure so to mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds then Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed and, in the case of registered Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any registered Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in a principal amount equal to the unredeemed portion of such Bond will be issued.

Any notice provided pursuant to the provisions of this Section may state that the redemption contemplated therein is conditioned upon the occurrence of one or more events or circumstances described therein prior to the stated redemption date and that the Authority will not be obligated to redeem such Bonds unless all such events and circumstances described therein have occurred.

Section 3.03 Effect of Notice of Redemption. Notice having been published and filed in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date. On the date so designated for redemption, notice having been published and filed and moneys for payment of the redemption price being held in separate accounts by the Trustee or by the Paying Agents in trust for the holders of the Bonds or portions thereof to be redeemed, all as provided in this Trust Agreement, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds and portions of Bonds shall cease to be entitled to any lien, benefit or security under this Trust Agreement, and the holders or registered owners of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in Section 3.05 of this Article, to receive Bonds for any unredeemed portions of registered Bonds.

Section 3.04 [Intentionally Deleted].

Section 3.05 Redemption in Part. In case part but not all of an Outstanding registered Bond shall be selected for redemption, the registered owners thereof shall present and surrender such Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Authority shall execute and the Trustee shall authenticate and deliver to or upon the order of such registered owner, without charge therefor, Bonds representing the unredeemed balance of the principal amount of the registered Bond so surrendered.

Section 3.06 Cancellation of Bonds. Bonds so presented and surrendered shall be cancelled by the Trustee upon the surrender thereof.

Section 3.07 Redeemed Bonds Not Outstanding; Conditional Notice. Bonds and portions of Bonds which have been duly called for redemption under the provisions of this Article, or with respect to which irrevocable instructions to call for redemption at the earliest redemption date have been given to the Trustee, in form satisfactory to it, and for the payment of the redemption price of which and accrued interest to the date fixed for redemption moneys shall be held in separate accounts by the Trustee or the Paying Agents, in trust for the holders of the Bonds or portions thereof to be redeemed, as provided in this Trust Agreement, shall not be deemed to be Outstanding under the provisions of this Trust Agreement.

If a conditional notice of redemption has been given pursuant to Section 3.02, the Bonds to which such notice pertains shall be deemed Outstanding until the conditions to such redemption have been satisfied and the notice becomes irrevocable.

Section 3.08 Redemption of Additional Bonds. The provisions for redemption of Bonds contained in this Article III may be modified or amended with respect to any series of Additional Bonds issued hereunder by any Supplemental Trust Agreement entered into in connection with the issuance of such series of Additional Bonds and, as to such Series, the provisions contained in such Supplemental Trust Agreement shall control and supersede the provisions contained in this Article III.

ARTICLE IV.
CUSTODY AND APPLICATION OF PROCEEDS OF BONDS

Section 4.01 Establishment of Construction Fund. The Hillsborough County Aviation Authority Construction Fund (the "Construction Fund"), is hereby created and established, and the Authority shall establish separate accounts therein pursuant to each Supplemental Trust Agreement pertaining to Additional Bonds issued pursuant to Section 2.09 and Section 2.10(a) hereof, to the credit of which proceeds of such Additional Bonds shall be deposited. Each such account in the Construction Fund shall be held by the Authority pursuant to the Supplemental Trust Agreement. There may also be deposited into the applicable account or accounts in the Construction Fund any moneys received from any other source for the construction or acquisition of each respective Airport System Project.

Each account in the Construction Fund shall be held separate and apart from each other account therein and shall be used and applied in accordance with the terms of this Trust Agreement and the Supplemental Trust Agreement pursuant to which it was created.

The moneys in each account in the Construction Fund shall be held by the Authority in trust and shall be applied to the payment of the cost of the Airport System Projects for which such accounts were created, and pending such application, shall be subject to a lien and charge in favor of the holders of the Bonds issued to finance such Airport System Projects and for the further security of such holders until paid out or transferred as herein provided.

Section 4.02 Payment of Project Costs. Payment of the cost of the construction and acquisition of said Airport System Projects shall be made from the separate account in the Construction Fund created therefor, or from any other available funds. All payments from the Construction Fund and each account therein shall be subject to the provisions and restrictions set forth in this Article, and the Authority covenants that it will not cause or permit to be paid from the Construction Fund any sums except in accordance with such provisions and restrictions.

Section 4.03 Description of Project Costs. For the purpose of this Trust Agreement the cost of the construction and acquisition of any Airport System Project to be financed by the issuance of Additional Bonds may include, without intending thereby to limit or restrict or to extend any proper definition of such cost under the provisions of law, the following:

(a) Obligations incurred for labor and materials and to contractors, builders and materialmen in connection with the construction and acquisition of said Airport System Project for machinery and equipment, and for the restoration or relocation of property damaged or destroyed in connection with such construction or acquisition;

(b) The cost of acquiring by purchase, if such purchase shall be deemed expedient, and the amount of any award or final judgment in or any settlement or compromise of any proceeding to acquire by condemnation, such lands, property rights, rights-of-way, franchises, easements and other interest as may be deemed necessary or convenient and authorized for the construction and acquisition of said Airport System Project, options and partial payments thereon, and the amount of any damages incident to or consequent upon the construction and acquisition of said Airport System Project;

(c) The fees and expenses of the Trustee during construction and municipal or governmental charges, if any, lawfully levied or assessed during construction upon said Airport System Project or any property acquired therefor, and premiums on insurance, if any, in connection with said Airport System Project;

(d) The expenses necessary or incident to determining the design and construction of the Airport System Project and fees and expenses for making studies, surveys, appraisals and estimates of cost and of revenues and other estimates and for preparing plans and specifications and supervising construction, as well as for the performance of all other duties set forth herein in relation to the construction and acquisition of said Airport System Project, or the issuance of Bonds therefor;

(e) Legal, engineering and Airport Consultant fees and expenses, financing charges, cost of audits during the construction of said Airport System Project and of preparing and issuing the Bonds, and all other items of expense not elsewhere in this Section specified incident to the construction, acquisition and equipment of said Airport System Project, the financing thereof, the placing of the same in operation, and the cost of acquisition of lands, property rights, rights-of-way, franchises, easements, servitudes, and interests therein.

Section 4.04 [Intentionally Deleted].

Section 4.05 [Intentionally Deleted].

Section 4.06 Limitations on Requisitions. The Authority covenants that no payment will be made from the Construction Fund for labor or materials or to contractors, builders or materialmen, on account of the construction and acquisition of said Airport System Project, or any part thereof, unless such part is located on lands which are owned by the Authority in fee simple or over which the Authority shall have acquired sufficient leases, easements, licenses or servitudes or other agreements for or related to the use, occupancy or operation of any rights or space in any property, for the purposes of said Airport System Project.

Section 4.07 [Intentionally Deleted].

Section 4.08 Completion; Disposition of Excess Proceeds. When the construction and acquisition of said Airport System Project shall have been completed, which fact shall be evidenced by a certificate of the Authority stating the date of completion, the balance of any bond proceeds in the applicable account in the Construction Fund not reserved by the Authority for the payment of any remaining part of the cost of the construction and acquisition of said Airport System Project shall be transferred to the Trustee for deposit in the Reserve Fund, to the extent necessary to make the amount then on deposit therein equal to the maximum amount required to be on deposit in said Reserve Fund at any time. Any balance thereafter remaining from the moneys in said Construction Fund so transferred to the Trustee shall be retained by the Authority and used, at its option, upon receipt of an opinion of Bond Counsel that such use or uses by the Authority will not, in and of themselves cause the interest on such Bonds not to be excludable from gross income for federal income tax purposes, for one or more of the following purposes: (i) for the construction or acquisition of additions, extensions and improvements to said Airport System, (ii) for the purchase or prior redemption of Bonds in the manner provided herein for the purchase or prior redemption of Bonds from the Redemption Account in the Sinking Fund or (iii) for the payment of interest or principal, or both next coming due on the Bonds from which such funds were derived. Any balance remaining in the Construction Fund derived from sources other than bond proceeds, shall be transferred to and deposited in the Surplus Fund.

Section 4.09 Special Provisions for Additional Bonds. Notwithstanding any other provision contained herein, the provisions of this Article IV as they pertain to any account in the Construction Fund may be amended, modified or superseded by the Supplemental Trust Agreement creating such account and, with respect to such account, in the event of a conflict between the provisions of this Article IV and the provisions of such Supplemental Trust Agreement, the provisions of such Supplemental Trust Agreement shall control.

ARTICLE V.
REVENUES AND FUNDS

Section 5.01 Rate Covenant. The Authority will fix, revise from time to time when necessary, maintain and collect such fees, rates, rentals and other charges for the use of the products, services and facilities of the Airport System, or concessions granted in connection therewith, that will always provide Revenues in each Fiscal Year that will be sufficient to pay, in accordance with the provisions of this Trust Agreement, (i) all amounts required to be deposited in the Reserve Fund, the Operation and Maintenance Fund and the Operating Reserve Account in the Revenue Fund, including in each case all accounts therein, plus (ii) One Hundred Twenty-Five percent (125%) of the Bond Service Requirement for such Fiscal Year. The Authority covenants that it shall not permit such fees, rates, rentals and other charges to be reduced so as to be insufficient to provide Revenues for such purposes. For purpose of determining compliance with this requirement, the Authority may include Available PFC Revenues in an amount not to exceed One Hundred Twenty Five Percent (125%) of the amounts required to be deposited into the Interest Account, Principal Account and Redemption Account in the Sinking Fund for such year on the Outstanding PFC Bonds, or such lesser amount as may be required under the PFC Act, PFC Regulations and PFC Approvals as in effect from time to time.

For purposes of this requirement, moneys remaining in the Surplus Fund (other than moneys set aside for the payment of Derivative Non-Scheduled Payments) at the end of any Fiscal Year which the Authority elects to redeposit into the Revenue Fund in the following Fiscal Year may be considered as Revenues in the Fiscal Year in which they are so redeposited for purpose of satisfying the Rate Covenant set forth above; provided, however, that without regard to the use of such funds, the Authority shall always establish its rates and charges under this Section so that Revenues collected in the current Fiscal Year, without regard to carry over amounts from the Surplus Fund, will be at least sufficient to pay 100% of the yearly deposit requirements into the Operation and Maintenance Fund, the Sinking Fund, the Reserve Fund and subordinated indebtedness accounts.

Section 5.02 Funds and Accounts. The following special funds and accounts are hereby created and designated as follows:

The Airport System Sinking Fund (herein called the Sinking Fund), and four separate accounts therein to be known as the Interest Account, the Principal Account, Qualified Hedge Payment Account and the Redemption Account, each to be held and administered by the Trustee.

The Airport System Revenue Fund (herein called the Revenue Fund), and a separate account therein to be known as the Operating Reserve Account, to be held and administered by the Authority.

The PFC Revenue Fund to be held and administered by the Authority.

The PFC Capital Fund to be held and administered by the Authority.

The Reserve Fund to be held and administered by the Trustee. The Authority may require the Trustee to create separate accounts in the Reserve Fund for any series of Additional Bonds.

The Operation and Maintenance Fund, to be held and administered by the Authority.

The Airport System Surplus Fund (herein called the Surplus Fund), to be held and administered by the Authority.

All Revenues, as defined herein, derived from said Airport System (but not including PFC Revenues, CFCs, gifts, grants, either federal, state or any other public body, ad valorem taxes or any other moneys or funds not derived from the operation of the Airport System as defined herein), in each case, to the extent included within the definitions of "Gross Revenues" shall be deposited with the Authority in the Revenue Fund, and are hereby pledged for the purposes, and with the priorities, set forth in this Trust Agreement.

All Available PFC Revenues shall be deposited by the Authority upon receipt into the PFC Revenue Fund and applied in accordance with Section 5.03 below, to reduce the deposit requirements otherwise provided in subsections (B), (C), and (E) below, and are hereby pledged for the purposes, and with the priorities, set forth in this Trust Agreement.

Disposition of Revenues. The moneys in the Revenue Fund shall be disbursed and applied by the Authority on the first day of each month only in the following manner and order of priority:

(A) *Operation and Maintenance Fund*. The moneys in said Revenue Fund shall first be used for deposits into the Operation and Maintenance Fund, and the Authority shall deposit in said Operation and Maintenance Fund on the first day of each month an amount equal to one-twelfth (1/12) of the amount provided in the Annual Budget of the Authority then in effect for the Operating Expenses, as defined herein, of said Airport System, as defined herein.

The moneys in said Operation and Maintenance Fund shall be used by the Authority only for the Operating Expenses, as defined herein, of the Authority, including fees of the Trustee, Paying Agents, Liquidity Provider, Credit Support Provider, Tender Agents, Auction Agents, Remarketing Agents and other agents employed by the Authority in connection with one or more Series of Bonds issued thereunder. Any moneys remaining in the Operation and Maintenance Fund at the end of each Fiscal Year may be transferred therefrom by the Authority and deposited in the Revenue Fund.

(B) *Interest Account and Qualified Hedge Payment Account*. The moneys in said Revenue Fund shall next be deposited pro rata into the Interest Account and the Qualified Hedge Payment Account in the Sinking Fund, after making the deposits provided for in subsection (A) above, and the Trustee shall deposit in said Interest Account on the first day of each month an amount which, together with funds deposited therein under Section 5.03 below, is necessary to make the funds on deposit therein equal the interest component of the Accrued Aggregate Debt Service Requirement for such month with respect to the Bonds (including any net Qualified Hedge Payment then due or to become due within such month); *provided, however*, that such deposits into said Interest Account shall not be required to be made to the extent sufficient moneys are then on deposit in the special fund in said Interest Account either from the proceeds of said Bonds or from any other source.

The moneys in said Interest Account shall be used only for the payment of the interest on said Bonds, both Serial Bonds and Term Bonds, and the Trustee shall transfer to the Paying Agents the necessary moneys to pay all such interest becoming due on each interest payment date not later than such interest payment date. The moneys in said Qualified Hedge Payment Account shall be used only for the payment of Qualified Hedge Payments, and the Trustee shall transfer to the counterparty under the respective Qualified Hedge Agreement the necessary moneys to pay such Qualified Hedge Payment on the next respective payment date.

(C) *Principal Account*. Such moneys shall next be used for deposits into the Principal Account in the Sinking Fund, after making the deposits provided for in subsections (A) and (B) above, and the Trustee shall deposit in said Principal Account on the first day of each month, an amount which, together with funds deposited therein under Section 5.03 below, shall be necessary to make the funds on deposit therein equal the scheduled principal component of Serial Bonds included within the Accrued Aggregate Debt Service Requirement for such month.

The moneys in said Principal Account shall be used only for the payment of the principal on Serial Bonds, and the Trustee shall transfer to the Paying Agents the necessary moneys to pay all such principal becoming due on said Serial Bonds on each principal maturity date prior to such principal maturity date.

(D) *Reserve Fund*. Such moneys shall next be used for deposits into the Reserve Fund, after making the deposits provided for in subsections (A), (B) and (C), inclusive, above, and the Trustee shall deposit in said Reserve Fund, and pro rata into each separate Reserve Account created therein pursuant to Supplemental Trust Agreements entered into with respect to each Series of Additional Bonds issued hereunder, on the first day of each month, an amount which, together with funds currently deposited in the Reserve Fund and each such Reserve Account, will be sufficient to make the funds on deposit therein equal to the aggregate Reserve Requirement; provided, however, that no further deposits shall be required to be made into said Reserve Fund or into any separate Reserve Account therein whenever and as long as the amount then on deposit therein is equal to the Reserve Requirement for each respective Series of Bonds then Outstanding.

The moneys in the Reserve Fund shall be used only for the payment of the interest on all Bonds, including both Serial Bonds and Term Bonds, the principal of Serial Bonds and the required deposits into the Redemption Account for Term Bonds as the same mature or become due, whenever the moneys in the Interest Account, Principal Account and Redemption Account are insufficient therefor. If separate accounts in the Reserve Fund have been established for Additional Bonds, deficiencies in the Interest Account, Principal Account and Redemption Account with respect to such Additional Bonds shall be payable solely from the funds deposited in each respective special Reserve Account created with respect to such Additional Bonds, or from the respective Reserve Fund Credit Enhancement acquired with respect thereto, and not from other funds deposited in the Reserve Fund. Funds on deposit in the Reserve Fund in excess of the Reserve Requirement (taking into account the several Reserve Requirements for each Series of Bonds Outstanding hereunder) may be withdrawn at the Authority's request and

deposited (i) into the Sinking Fund to pay principal, interest or redemption premium on Bonds next coming due, (ii) into the Redemption Account for redemption of Bonds from which such surplus funds were derived, (iii) into escrow deposit trust funds for Bonds secured thereby that have been defeased or called for redemption, or (iv) into the Revenue Fund provided that the Authority first receives an opinion from bond counsel that the use of such funds will not adversely affect the excludability from gross income for federal income tax purposes of interest on any Series of Bonds then Outstanding under the terms of this Trust Agreement (other than any Series of Bonds issued with the intent that interest thereon be includable in gross income for federal income tax purposes). All deficiencies in said Reserve Fund shall be restored from the first Revenues and other moneys pledged herein which are available after making all prior required deposits into the Operation and Maintenance Fund, the Interest Account, the Principal Account and the Redemption Account.

Upon the issuance of a series of Additional Bonds, or at any time in replacement of moneys then on deposit in the Reserve Fund, in lieu of making a cash deposit to the Reserve Fund, or in substitution therefor, the Authority may deliver to the Trustee a Reserve Fund Credit Enhancement in an amount which, together with moneys, securities or other Reserve Fund Credit Enhancements on deposit in or credited to the Reserve Fund and any special Reserve Account created with respect to Additional Bonds, equals or exceeds the largest amount of principal, interest and required deposits into the Redemption Account with respect to the Bonds which will mature or become due in any succeeding year on the following terms and conditions:

(1) All such Reserve Fund Credit Enhancements (i) will name the Trustee as beneficiary or insured, (ii) will have a term of not less than the maturity of such Additional Bonds for which such Reserve Fund Credit Enhancement was issued, or if issued to replace cash proceeds then existing in the Reserve Fund, the final maturity of the last maturing Bond then Outstanding secured by such cash proceeds (provided, however, that the provisions of this clause (ii) will not apply if such Reserve Fund Credit Enhancement is a Letter of Credit which, by its terms may be drawn upon at least fifteen (15) days prior to the stated expiration date thereof if a substitute Letter of Credit, or an extension thereof, with a new term of not less than one year has not theretofore been obtained and credited to the Reserve Fund) and (iii) will provide by its terms that it may be drawn upon to make up any deficiencies in the Principal Account, Interest Account or Redemption Account on the due date of any interest or principal payment or mandatory sinking fund redemption with respect to such Additional Bonds with respect to which such Reserve Fund Credit Enhancement was issued, or if issued to replace cash proceeds then existing in the Reserve Fund, any interest or principal payment or mandatory sinking fund redemption with respect to any Bonds Outstanding.

(2) Any excess funds on deposit in the Reserve Fund after a Reserve Fund Credit Enhancement has been provided shall be deposited into the Principal Account, Interest Account and/or Redemption Account and used to pay debt service on or redeem Bonds from which such funds were derived or for any other purpose provided that the Authority shall have first received an opinion from Bond Counsel that the use of such proceeds will not adversely affect the exclusion from gross income of interest on such Bonds.

(3) The obligation to reimburse the issuer of Reserve Fund Credit Enhancement for any fees, expenses, claims or draws thereon shall be subordinate to the payment of debt service on the Bonds and replenishment of the Reserve Fund. Such issuer's right to reimbursement for claims or draws shall be on a parity with the cash replenishment of the Reserve Fund provided that the Reserve Fund Credit Enhancement shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of such issuer to reimbursement will be further subordinated to cash replenishment of the Reserve Fund to an amount equal to the difference between the full original amount available under the Reserve Fund Credit Enhancement and the amount then available for further draws or claims. If (a) the issuer of the Reserve Fund Credit Enhancement becomes insolvent or (b) the issuer of the Reserve Fund Credit Enhancement defaults in its payment obligations thereunder or (c) the claims-paying ability of the issuer of the Reserve Fund Credit Enhancement falls below a S&P "A" or a Moody's "A," the obligation to reimburse the issuer of the Reserve Fund Credit Enhancement shall be subordinate to the cash replenishment of the Reserve Fund.

(4) If the Authority chooses to provide or substitute Reserve Fund Credit Enhancement in lieu of a cash-funded Reserve Fund, any amounts owed by the Authority to the issuer of such Reserve Fund Credit Enhancement as a result of a draw thereon or a claim thereunder, as appropriate, shall be included in determining amounts required to be deposited to the credit of the Reserve Fund and in any other calculation of debt service requirements required to be made pursuant to this Trust Agreement for any purpose, e.g., Rate Covenant or Additional Bonds test.

(E) *Redemption Account*. Such moneys shall next be used for deposits into the Redemption Account in the Sinking Fund, after making the deposits provided for in subsections (A), (B), (C) and (D) above, and the Trustee shall deposit in said Redemption Account on the first day of each month, an amount which, together with funds deposited therein under Section 5.03 below, shall be necessary to make the funds on deposit therein equal the Sinking Fund Installment portion of the Accrued Aggregate Debt Service Requirement for such month with respect to Term Bonds maturing within such Fiscal Year.

A separate subaccount shall be set up and maintained in said Redemption Account for each separate issue of Additional Bonds; provided, however, that the separate account for any Additional Bonds issued for the completion of any project shall be the same separate subaccount as for the Bonds originally issued to finance such project.

The moneys in said Redemption Account shall be applied to the retirement of Term Bonds, issued under the provisions of this Trust Agreement as follows:

(a) The Trustee may, in its discretion, endeavor to purchase Term Bonds secured hereby and then Outstanding, on the most advantageous terms at a price not exceeding the price at which the Term Bonds may be redeemed by operation of the Redemption Account on the next ensuing redemption date, either by purchase in the open market or by publishing an appropriate notice at least once at least fourteen (14) days

prior to the receipt of tenders in a newspaper or financial journal published in the City of New York, New York, calling for tenders of Term Bonds for purchase by the Trustee. The Trustee shall pay the interest accrued on Term Bonds so tendered and purchased to the date of delivery thereof from the Interest Account, and the purchase price from the separate account in the Redemption Account for such issue but no such purchase shall be made by the Trustee within the period of forty-five (45) days next preceding any interest payment date; and

(b) Subject to the provisions of Article III of this Trust Agreement, the Trustee shall call for redemption on each interest payment date on which Term Bonds are subject to redemption, from moneys in the appropriate separate accounts in the Redemption Account for each issue of Term Bonds, such amount of Term Bonds then subject to redemption as with the redemption premium, if any, and all necessary and proper expenses incurred in connection therewith, will exhaust all moneys on deposit in the appropriate separate accounts in the Redemption Account on the forty-fifth (45th) day preceding such interest payment dates, as nearly as may be practicable; provided, however, that the Trustee shall not be required to call less than Ten Thousand Dollars ($10,000) principal amount of Term Bonds for prior redemption from each separate account in the Redemption Account at any one time. Such redemption shall be made pursuant to the provisions of Article III of this Trust Agreement. Not less than ten (10) days before the redemption date, the Trustee shall withdraw from the Interest Account and the appropriate separate accounts in the Redemption Account and set aside in separate accounts or deposit with the Paying Agents the respective amounts required for paying the interest on, and the principal and redemption premium, if any, of the Term Bonds so called for redemption from the appropriate separate accounts in the Redemption Account and shall pay all expenses in connection with such redemption from the appropriate separate accounts in the Redemption Account.

Alternative Method of Satisfying Sinking Fund Installment.

The Authority may satisfy its obligations under Section 5.02(E) above with respect to the Sinking Fund Installments, on or before the 45th day next preceding each principal payment date on which Term Bonds are to be retired pursuant to the Sinking Fund Installments, by delivering to the Trustee for cancellation, Term Bonds of the Series and maturity required to be redeemed on such principal payment date in any aggregate principal amount desired. Upon such delivery, the Authority will receive a credit against the amounts required to be deposited into the Interest Account and Redemption Account on account of such Term Bonds in an amount equal to 100% of the principal amount thereof so purchased and cancelled and the interest accruing thereon to the next succeeding Interest Payment Date.

All Additional Bonds which are Term Bonds hereafter issued shall be on a parity with the Term Bonds initially issued hereunder and all deposits into the Redemption Account for different parity Term Bonds shall rank equally.

In addition to the foregoing, if the Authority deposits moneys in to the Redemption Account for purposes other than with respect to mandatory sinking fund redemptions required under this Trust Agreement or any supplemental trust agreement executed under the terms hereof, such funds shall be applied at the direction of the Authority to call for redemption any Bonds or maturities thereof as specified by the Authority, provided that prior to such redemptions from proceeds of Bonds issued hereunder, the Authority shall have first received an opinion of Bond Counsel that the Authority's the application of such Bond proceeds will not, in and of themselves cause the interest on such Bonds not to be excludable from gross income for federal income tax purposes.

(F) *Subordinated Indebtedness*. Such moneys shall next be used for the payment of debt service on, and other requirements with respect to, debt obligations of the Authority (including reimbursement obligations to credit providers) having a lien on the Revenues which, by their terms, is expressly made junior and subordinate to the lien thereon in favor of the holders of Bonds issued hereunder.

(G) *Operating Reserve Account*. Such moneys shall next be used for deposits into the Operating Reserve Account in the Revenue Fund, after making the deposits provided for in subsections (A) to (F), inclusive, above, and the Authority shall deposit in said Operating Reserve Account on the first day of each month, the amount necessary, together with the moneys then on deposit in said Account, to make the amount then on deposit therein equal to one-sixth (1/6) of the annual amount of Operating Expenses of said Airport System provided in the Annual Budget of the Authority then in effect. The Authority covenants that it will prior to or simultaneously with the issuance of the Bonds initially authorized hereunder, deposit in said Operating Reserve Account, from moneys legally available therefor other than the proceeds of the Bonds, an amount equal to one-sixth (1/6) of the amount of Operating Expenses estimated by the Airport Consultant to be provided for in the first Annual Budget of the Authority adopted after the issuance of said Bonds.

The moneys in said Operating Reserve Account shall be used only for the payment of Operating Expenses of said Airport System when the moneys in the Operation and Maintenance Fund are insufficient therefor, and the moneys in said Account may be used by the Authority upon requisition of the Authority stating that such moneys are necessary to pay the Operating Expenses of the Authority and that the moneys in the Operation and Maintenance Fund are insufficient therefor. Any withdrawals from said Operating Reserve Account for such purposes shall be restored to said Operating Reserve Account from the first Revenues available after all deposits under subsections (A) to (F), both inclusive, above, including any deficiencies for prior required deposits, have been fully made. Any moneys in said Account in excess of the maximum amount required to be on deposit therein at the end of each Fiscal Year, shall be transferred to and deposited in the Revenue Fund.

(H) *Surplus Fund*. After making all the deposits or payments provided in subsections (A) to (G), inclusive, above, including all deficiencies for prior required payments, the Authority shall on the first day of each month, withdraw all moneys then remaining in said Revenue Fund and deposit the same into the Surplus Fund.

Moneys in the Surplus Fund may be used by the Authority for the payment of all Reimbursement Obligations and Derivative Non-Scheduled Payments then due, or to reduce airline rental payments described above, to make deposits into the Rebate Account, which is hereby created and established, in such amounts with respect to any of the Bonds Outstanding

hereunder, as may be required to be paid to the United States pursuant to Section 148(f) of the Code, or for any other lawful purpose, or any combination of the foregoing; provided, however, that without regard to the use of such funds, the Authority shall always establish its rates and charges under Section 5.01 so that Revenues collected in the current Fiscal Year, without regard to carry over amounts from the Surplus Fund, will be at least sufficient to pay 100% of the yearly deposit requirements into the Operation and Maintenance Fund, the Sinking Fund, the Reserve Fund and subordinated indebtedness accounts.

(I) In the event any of the deposits or payments required under subsections (A) to (G), inclusive, above, are not made when due, then such deficiencies shall be added to the deposits or payments to be made on the next deposit or payment date.

(J) In the event of the issuance of any Additional Bonds pursuant to Sections 2.09 or 2.10 hereof, all deposits or payments into the Interest Account, Principal Account, Redemption Account, and Reserve Fund shall be increased to the extent necessary, and all Additional Bonds shall be on a parity and rank equally with the Bonds initially issued hereunder.

Section 5.03 Receipt and Disbursement of PFC Revenues. So long as Available PFC Revenues are pledged hereunder, all Available PFC Revenues received by the Authority shall be deposited into the PFC Revenue Fund and shall be set aside or disposed of on the first business day of each month as follows:

(A) The moneys in the PFC Revenue Fund shall first be transferred to the Trustee for deposit into the Interest Account, the Principal Account and the Redemption Account, respectively, that portion of each monthly deposit requirements therein that are attributable to the debt service requirements with respect to the PFC Bonds;

(B) The moneys in the PFC Revenue Fund shall next be used to fund any deficiency in the Reserve Fund (or any special account therein) allocable to or set aside for the benefit of PFC Bonds or any separate series thereof;

(C) The moneys in the PFC Revenue Fund shall next be used for the payment of debt service on, and other required deposits with respect to, PFC indebtedness of the Authority (including reimbursement obligations to credit providers) having a lien on the PFC Revenues which, by their terms, is expressly made junior and subordinate to the lien thereon in favor of the holders of Bonds issued hereunder;

(D) The moneys in the PFC Revenue Fund shall next be applied to replenish funds in the Revenue Fund that were used to pay or to satisfy the monthly deposit requirements with respect to the principal of, interest on or redemption premiums with respect to PFC Bonds that were paid or allocated from non-PFC Revenues because PFC Revenues at the time of such deposit requirements were insufficient or ineligible for such purposes; and

(E) After making the deposits or payments provided in subsections (A) through (D), above, including all deficiencies for prior required payments, the Authority shall on the first business day of each month, withdraw all moneys then remaining in the PFC Fund and not otherwise set aside for such purposes and deposit the same into the PFC Capital Fund.

(F) Funds in the PFC Capital Fund may be used by the Authority for any lawful purpose in accordance with the PFC Act, the PFC Regulations and the PFC Approvals.

Section 5.04 Limitation on Additional Indebtedness. The Authority covenants that it will not issue or incur any obligations, payable from the Revenues derived from said Airport System and other moneys pledged herein, nor voluntarily create or cause or permit to be created any debt, lien, pledge, assignment, encumbrance or any other charge, having priority to or being on a parity with, the lien of the Bonds issued pursuant to this Trust Agreement and the interest thereon, upon any of the Revenues and income of said Airport System, in each case except Additional Bonds, Reimbursement Obligations, and obligations arising under Qualified Hedge Agreement, in each case in the manner and subject to the terms provided herein.

Section 5.05 Subordinated Indebtedness Covenant. The Authority covenants that any obligations or indebtedness issued by it other than in accordance with the terms hereof and payable from Revenues, including subordinated indebtedness as herein contemplated, shall contain an express statement that such obligations are junior and subordinate in all respects to the Bonds issued hereunder as to lien on, source of and security for payment from, the Revenues.

Section 5.06 Funds Held in Trust. Subject to the terms and conditions set forth in this Trust Agreement, moneys to the credit of the Interest Account, Principal Account and Redemption Account shall be held in trust and disbursed by the Trustee for (a) the payment of interest on all Bonds issued hereunder as such interest falls due, and (b) the payment of principal of all Serial Bonds as such principal falls due and for the making of all required payments into the Redemption Account for Term Bonds as the same become due, and such moneys are hereby pledged to and charged with the payments mentioned in this Section in the manner hereinbefore provided.

Section 5.07 Unclaimed Funds. All moneys which the Trustee shall have withdrawn from the Sinking Fund or shall have received from any other source and set aside, or deposited with the Paying Agents, for the purpose of paying any of the Bonds hereby secured, either at the maturity thereof or upon call for redemption, together with interest and premiums, if any, thereon, shall be held in trust for the respective holders of such Bonds. Any moneys which shall be so set aside or deposited by the Trustee and which shall remain unclaimed by the holders of such Bonds for the period of five (5) years after the date on which such Bonds shall have become payable (or such shorter or longer period of time as may be specified in Section 717.112, Florida Statutes (1997) as amended) shall be paid to the Authority, and thereafter the holders of such Bonds shall look only to the Authority for payment, and then only to the extent of the amounts so received without any interest thereon, and the Trustee and the Paying Agents shall have no responsibility with respect to such moneys.

Section 5.08 Cancellation Certificates. All Bonds paid, redeemed or purchased, either at or before maturity, shall be delivered to the Trustee when such payment, redemption or purchase is made and such Bonds shall thereupon be cancelled. All cancelled Bonds shall be held by the Trustee until this Trust Agreement shall be released; provided, however, that Bonds so cancelled may at any time be cremated by the Trustee in the presence of two (2) of its authorized officers, who shall execute a certificate of cremation in duplicate describing the Bonds so cremated, and one (1) executed certificate shall be filed with the Authority, and the

remaining executed certificate shall be retained by the Trustee. All such cremation certificates shall contain, among other things, the identifying numbers, dates of issue and maturity, denominations and interest rates of such cancelled Bonds.

Section 5.09 Use of Funds in Operating Reserve Account. Notwithstanding any of the other provisions of this Article or of this Trust Agreement, the Authority shall be mandatorily and irrevocably obligated at all times to use any moneys in the Operating Reserve Account, for the payment of the interest on said Bonds, both Serial Bonds and Term Bonds, for the principal of Serial Bonds, and for required deposits into the Redemption Account for Term Bonds whenever the moneys in the Interest Account, Principal Account, Redemption Account and the Reserve Fund are insufficient for such purposes.

ARTICLE VI.
DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS, AND INVESTMENTS OF FUNDS

Section 6.01 Depositaries. All moneys received by the Authority under the provisions of this Trust Agreement shall be deposited with the Trustee, to the extent herein required, or with one or more other banks or trust companies designated by the Authority (each such depositary, including the Trustee, being herein called a "Depositary"). All moneys deposited under the provisions of this Trust Agreement with the Trustee, or any other Depositary shall be held in trust and applied only in accordance with the provisions of this Trust Agreement, and shall not be subject to lien or attachment by any creditor of the Authority.

No moneys shall be deposited with any Depositary, other than the Trustee, or a Paying Agent in its capacity as such, in an amount exceeding one hundred per centum (100%) of the amount which an officer of such Depositary shall certify to the Trustee or Authority as the combined capital and surplus of such Depositary.

Except as otherwise provided in Section 6.02 hereof, all moneys deposited with the Trustee, or any other Depositary hereunder, in excess of the amount insured against loss by the depositor by the Federal Deposit Insurance Corporation, shall be continuously secured, for the benefit of the Authority and the holders of the Bonds, by lodging with the Federal Reserve Bank or the Trustee, as custodian, as collateral security, direct obligations of the United States of America or other securities eligible under the laws of the State of Florida as collateral security for deposits of public funds, having a market value (exclusive of accrued interest) not less than the amount of such deposit; provided, however, that in the case of the Trustee it shall not be necessary for them to lodge such collateral security with any other bank or trust company, but it shall suffice if they lodge such collateral security with its Trust Department as custodian; and provided, further, that it shall not be necessary for the Paying Agents to give security for the deposit of any moneys with them for the payment of the principal or the redemption premium or the interest on any Bonds issued hereunder, or for the Trustee to give security for any moneys which shall be represented by investments in the obligations referred to in Section 6.02 hereof, purchased under the provisions of this Article, except as to any moneys in any Fund or Account which shall be invested in time deposits in banks or trust companies evidenced by certificates of deposit for which collateral security has been given as provided in Section 6.02 hereof.

All moneys deposited with each Depositary, including the Trustee, shall be credited to the particular Fund or Account to which such moneys belong.

Section 6.02 Investment of Certain Funds; Valuation; Disposition of Investment Income. The Authority may invest and reinvest moneys on deposit to the credit of the Construction Fund, pending the dates upon which such moneys will be needed for the construction and acquisition of said Airport System Project, in any investments (and with such collateralization, if any, and maturity) as may be permitted for an independent special district as a unit of local government under the laws of the State of Florida and as may otherwise be specified in the Supplemental Trust Agreement pursuant to which such Construction Account was created.

No investments of any moneys in the Construction Fund shall mature later than the dates upon which it is estimated that such moneys will be needed for the purposes of such Construction Fund.

It shall be the mandatory duty of the Trustee, at the written direction of the Authority, to keep all the moneys on deposit to the credit of the Interest Account, Principal Account, Redemption Account and the Reserve Fund, invested and reinvested in (1) direct obligations of the United States of America, or (2) time deposits in banks or trust companies evidenced by certificates of deposit; provided, however, that all such time deposits shall be further secured by collateral in the obligations described in clause (1) above having at all times a market value at least equal to the amount of such time deposits. Such investments or reinvestments shall mature not later than the respective dates, as estimated by the Trustee or the Authority, as the case may be, when the moneys held for the credit of said Funds or Accounts will be needed for the purposes of such Funds or Accounts, except that the moneys in the Reserve Fund may be invested and reinvested for a period of not exceeding five years[2] from the date of the making of such investments or reinvestments.

It shall be the mandatory duty of the Authority to keep all moneys on deposit to the credit of the Operating Reserve Account and the Surplus Fund invested and reinvested in any investments (and with such collateralization, if any, and maturity), as may be permitted for political subdivisions under the laws of the State of Florida. The moneys in the Surplus Fund may be invested and reinvested in such securities and for such periods of time as the Authority shall deem advisable.

All of the investments and reinvestments provided for in this Article VI may be made by the Trustee without further resolution or other action by the Authority; all such investments or reinvestments by the Authority shall be made on its direction.

Obligations so purchased as an investment of moneys in any such Fund or Account shall be deemed at all times to be a part of such Fund or Account, and except with respect to the Reserve Funds and the accounts therein, shall at all times, for the purposes of this Trust Agreement, be valued at the cost thereof at the time of purchase, without regard to fluctuation in

[2] Investments in the Reserve Fund as of the effective date of this Codified Trust Agreement shall be grandfathered and not subject to this limitation.

market value. Funds and investments in the Reserve Fund, and the common reserve account or accounts therein, shall be valued not less frequently than annually at the mark-to-market value thereof, as of October 1 of each year. Accounts in the Reserve Fund created solely for the benefit of specific Series of Bonds shall be valued in accordance with the preceding sentence or as may otherwise be specified under the terms of the Supplemental Trust Agreement pursuant to which such Bonds were issued. The Trustee or the Authority, as the case may be, shall sell at the best price obtainable any obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment or transfer from such Funds or Accounts. Neither the Trustee nor the Authority shall be liable or responsible for any loss resulting from any such investments or reinvestments.

All income derived from the investment of moneys in the Construction Fund shall remain in and be a part of said Construction Fund. All income derived from the investment of moneys in the Interest Account, Principal Account, Reserve Fund and Operating Reserve Account shall be retained in such Funds or Accounts to the extent necessary to make the amount then on deposit therein equal to the maximum amount required to be on deposit in such Funds or Accounts, and any remaining balance shall be deposited in the Revenue Fund and used as provided herein for said Revenue Fund; provided, however, that all income from the investment or reinvestment of moneys in the Redemption Account shall be retained in said Redemption Account and used as provided herein for said Redemption Account.

ARTICLE VII.
PARTICULAR COVENANTS

Section 7.01 Payment of Bonds. The Authority covenants that it will promptly pay the principal of and the interest on every Bond issued under the provisions of this Trust Agreement at the places, on the dates and in the manner provided herein and in said Bonds and any premium required for the retirement of said Bonds by purchase or redemption, according to the true intent and meaning thereof. The principal, interest and premiums on said Bonds are payable solely from the Revenues derived by the Authority from said Airport System and other moneys pledged therefor under this Trust Agreement, all of which are hereby pledged to the payment thereof and to the payment of Reimbursement Obligations and Qualified Hedge Payments in the manner and in the order of priority and to the extent hereinabove particularly specified and all as provided in this Trust Agreement and the Act hereinbefore referred to.

Section 7.02 Construction of Projects. The Authority covenants that upon the receipt of the proceeds of Additional Bonds issued under the provisions of Section 2.09 or Section 2.10 (with respect to Completion Bonds) of this Trust Agreement, it will to the full extent of its legal powers, proceed to acquire and construct the Airport System Projects for which such Additional Bonds were issued, substantially in accordance with the plans and specifications therefor, and in conformity with law and all requirements of all governmental agencies having jurisdiction thereover, and that it will complete such acquisition and construction with all expedition practicable.

Section 7.03 Rules and Regulations. The Authority covenants that it will establish and enforce reasonable rules and regulations governing the use of the Airport System and the operation thereof as may be required; that it will cause said Airport System and all parts thereof,

to be maintained at all times in good order and condition, except for normal wear and tear and to make or cause to be made all necessary and appropriate repairs thereto, and that it will comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to said Airport System.

Section 7.04 Liens; Taxes; Compliance with Laws. The Authority covenants that it will pay or cause to be paid all taxes and assessments or other municipal or governmental charges lawfully levied or assessed upon or in respect of said Airport System or any Revenues or other income derived therefrom when the same shall become due; that it will duly observe and comply with all valid requirements of any municipal or governmental authority relative to said Airport System; that it will not create or suffer to be created any lien or charge upon said Airport System or upon the Revenues derived from said Airport System or other moneys pledged herein, except the lien and charge of the Bonds secured hereby upon such Revenues derived from said Airport System and the lien and charge thereon in favor of Reimbursement Obligations, Qualified Hedge Payments and subordinated indebtedness issued in compliance with Section 5.05; and that it will pay or cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty (60) days after the same shall accrue, all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon said Airport System or the Revenues derived from said Airport System; provided, however, that nothing in this Section contained shall require the Authority to pay or cause to be discharged, or make provision for, any such lien or charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

Section 7.05 Airport Consultant. The Authority covenants that it will employ from time to time as necessary to comply with the requirements of this Trust Agreement, an Airport Consultant to inspect said Airport System and to make reports and recommendations with respect thereto and with respect to the rentals and other charges for the use of the facilities and services of said Airport System, with respect to any proposed changes in such rentals and other charges, concerning the operation and maintenance of said Airport System and to perform all other duties required to be performed by said Airport Consultant.

For the purpose of this Trust Agreement, the term "Airport Consultant," as it pertains to Airport Consultants described in clause (c) of that defined term, shall mean an engineer or firm of engineers of favorable repute and having national recognition and experience in the design and construction of civil airports and other civil aviation facilities.

For the purposes of this Trust Agreement, the term "Airport Consultant," as it pertains to Airport Consultants described in clause (a) of that defined term, shall mean an airport consultant or engineer or architect or firm of airport consultants or engineers or architects of favorable repute and having national recognition or experience in relation to the operation and maintenance of civil airports and other civil aviation facilities, the recommending of schedules of rentals and other charges for the use of the services and facilities of civil airports and other civil aviation facilities and the estimating of revenues to be derived from the operation of civil airports and other civil aviation facilities. The Authority hereby covenants and agrees that an Airport Consultant meeting the foregoing requirements will be continuously retained in such capacity as long as any Bonds issued hereunder are Outstanding and unpaid.

Section 7.06 Insurance. The Authority hereby agrees to maintain insurance coverage for the properties or facilities of the Airport System continuously until such time as all Bonds secured hereby, along with accrued interest, are fully discharged or adequate provision for such discharge has been made. This insurance coverage shall be obtained from reputable insurance companies capable of assuming such risks and shall protect against all risk of direct physical loss or damage to Insured Property from a covered loss subject to standard policy exclusions inclusive of customary self-insurance deductibles and allowances, with exceptions as commonly required by insurers for structures or facilities of similar nature. The specific terms, procedures, and coverage amounts shall be made in consultation with the Airport Consultant.

All insurance policies procured under this section shall be designated for the benefit of the Authority. Any proceeds derived from such policies shall be collected and directed to the Authority, to be utilized in accordance with the provisions of this Trust Agreement. These proceeds shall be segregated and held by the Authority until disbursed in accordance with the Trust Agreement.

Following any incident resulting in damage to or destruction of the Airport System, the Authority shall promptly commission the preparation of plans and specifications for the repair, replacement, or reconstruction of the affected property, along with an estimation of associated costs.

The proceeds from such insurance coverage shall be earmarked and applied toward the repair, replacement, or reconstruction of the damaged or destroyed property. These funds shall be managed by the Authority and disbursed in a manner consistent with disbursements from the Construction Fund. Any surplus shall be allocated first to the to cure any deficiencies in the common Reserve Fund, with any remaining surplus being (i) deposited into one or more subaccounts in the Redemption Account for the redemption of Bonds as directed by the Authority in consultation with Bond Counsel, or (ii) applied for such alternate uses upon receipt of an opinion of Bond Counsel to the effect that such use will not, in and of itself, cause interest on any of the Bonds outstanding to be includable in the income of the holders thereof for federal income tax purposes. In the event of an insufficiency of proceeds, the Authority shall supplement the deficit from legally available funds.

The Authority further agrees that, if the estimated cost of repair, replacement, or reconstruction, as determined by the Airport Consultants, does not exceed the available insurance proceeds and other designated funds, it shall expeditiously commence and diligently pursue the necessary actions according to the prescribed plans and specifications. However, should the Authority deem it imprudent to proceed with such actions, it shall be absolved from such obligation, and any insurance proceeds otherwise allocated for such purposes instead shall be used for the redemption of Bonds or for such other purposes as permitted under the preceding paragraph.

If the Airport System, or any portion thereof, sustains destruction, damage, or be become subject to eminent domain proceedings, and the resultant insurance or eminent domain compensation proves insufficient for restoration or replacement, the Authority may supplement the deficiency from any legally accessible funds.

Section 7.07 Lease Exception. The provisions of Section 7.06 shall be inapplicable to the extent they are inconsistent with the terms of any lease between the Authority and any airline company relating to the insurance to be carried on the leased premises either by the Authority or the lessee, and the Authority shall comply fully with the provisions of such leases; provided, however, that the insurance provided for in such leases shall not be less than the insurance provided for in this Article.

Section 7.08 [Intentionally Deleted.]

Section 7.09 No Free Service. The Authority covenants that it will not render or cause to be rendered any free service of any nature by said Airport System; provided, however, that the foregoing limitation shall not be applicable to reasonable and customary incentives granted to airlines and other commercial users of the Airport System in exchange for new or expanded service, and space, services, privileges or facilities furnished to the Authority or to the United States of America to the extent required under applicable laws under contracts which involve the granting of federal aid to the Authority, and to the extent required by applicable laws under instruments of transfer from or other contracts with the United States of America or as otherwise allowed by law. In the event the County of Hillsborough or the City of Tampa or any other public body, agency, or instrumentality, or any department, agency, instrumentality, officer or employee thereof, shall avail itself or themselves of and use said Airport System, or any part thereof, reasonable rates, rentals, fees or other charges shall be charged the County of Hillsborough, the City of Tampa and any other public body, agency, or instrumentality, and any such department, agency, instrumentality, officer or employee. Such charges shall be paid as they accrue, and the income so received shall be deemed to be Revenues derived from the operation of said Airport System and shall be deposited and accounted for in the same manner as other Revenues derived from the operation of said Airport System. The Authority shall require any lessees or licensees to observe and enforce the provisions of this Section.

Section 7.10 Annual Budget. The Authority covenants that it will annually after the review thereof and receiving the recommendations relating thereto of the Airport Consultant, prepare and adopt by resolution a detailed budget for the succeeding Fiscal Year in compliance with the Act, which budget shall contain the estimated expenditures in such succeeding Fiscal Year for operation and maintenance, for the replacement of capital assets or any unusual or extraordinary maintenance or repairs, for the building and constructing of permanent improvements, alterations, buildings and other structures, including runways, taxiways and taxilanes and aprons of said Airport System, and any other matters required by said Act. No expenditures for the operation and maintenance of said Airport System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without the written finding and recommendation of the Chief Executive Officer of such Airport System or other duly authorized officer in charge thereof, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures, and no such increased expenditures shall be made until the Authority shall have approved such finding and recommendation by resolution duly adopted. To the extent not posted on the Authority's website, the Authority shall mail copies of all annual budgets, and all resolutions authorizing increased expenditures, to any registered owner of Bonds specifically requesting the same.

Section 7.11 Restriction on Use of Revenues. The Authority covenants and agrees that, until the Bonds secured hereby, and the interest thereon, shall have been paid or provision for such payment shall have been made, none of the Revenues derived from said Airport System, or other moneys pledged herein, will be used for any purpose other than as provided in this Trust Agreement and no contract or contracts will be entered into or any action taken by which the rights of the Trustee or Bondholders might be impaired or diminished; *however*, nothing contained in this section shall prohibit the Authority from issuing Senior PFC Indebtedness in accordance with the terms of Section 7.19 hereof.

Section 7.12 Compliance with Covenants. The Authority covenants that it will, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Trust Agreement.

Section 7.13 Accounting and Audit Requirements. The Authority covenants that it or the Trustee will keep an accurate record of the Revenues derived from said Airport System, and other moneys pledged herein, and of the application of such Revenues or other moneys pledged herein.

The Authority further covenants that within 180 days after the close of each Fiscal Year, or as soon thereafter as practicable, it will cause an audit to be made of its books and accounts relating to said Airport System during the preceding Fiscal Year by an independent and recognized certified public accountant not in the regular employ of the Authority. Promptly following the receipts of the auditor's report, the Authority shall file a copy thereof to the Authority's Records Information Center and the Trustee and copies of such reports shall be posted by the Authority on EMMA. Each audit in respect of the preceding Fiscal Year shall be based on the Government Auditing Standards issued by the Comptroller General of the United States and presented in accordance with the Governmental Accounting Standards Board (GASB), as the same may be amended from time to time.

Section 7.14 Sale or Disposition of Property. The Authority covenants that, until the Bonds secured hereby and the interest thereon shall have been paid or provision for such payment shall have been made, and except as in this Trust Agreement otherwise permitted, it will not sell or otherwise dispose of or encumber said Airport System, or any part thereof, and it will not create or permit to be created any charge or lien on the Revenues derived therefrom or other moneys pledged herein other than with respect to Additional Bonds, subordinated indebtedness issued in compliance with Section 5.05 and Senior PFC Indebtedness issued pursuant to Section 7.19. The Authority may, however, from time to time, abandon or destroy obsolete buildings and infrastructure and sell for fair and reasonable value, any of the property comprising a part of said Airport System hereafter determined by a resolution duly adopted by the Authority to be no longer necessary, useful or profitable in the operation thereof. If the property to be sold shall consist of movable facilities, such proceeds may be used for the acquisition of other movable facilities, or if not so used, the proceeds derived from the sale of such movable facilities shall be used in the manner provided below for the proceeds of the sale of real estate. The proceeds derived from the sale of any real property, including any improvements thereon, may be deposited in the Surplus Fund, and any of such proceeds not so used shall be deposited in the Redemption Account in the Sinking Fund and used as provided herein for such Redemption Account.

Section 7.15 Use of Non-Pledged Funds. Nothing contained in this Trust Agreement shall be deemed to prevent the Authority from creating or providing such funds or accounts which shall not be subject to the provisions of this Trust Agreement for any ad valorem taxes, grants, gifts, passenger facility charges, moneys withdrawn from the Surplus Fund, or any other moneys whatsoever which do not constitute Revenues derived from said Airport System as defined herein or moneys pledged under this Trust Agreement.

Section 7.16 Financing Improvements Outside Airport System. Nothing contained in this Trust Agreement shall be deemed to prevent the Authority from issuing any bonds or notes which are not secured by this Trust Agreement to finance the construction of any legally permissible airport or aviation related facilities, or additions, extensions or improvements thereto, which are not a part of said Airport System, as defined herein, as long as the Airport Consultant shall state that in his opinion such airport or aviation facilities, or additions, extensions or improvements thereto, will not materially and adversely affect the Revenues to be derived from said Airport System, as defined herein, or the rights, security and remedies of the holders of Bonds issued pursuant to this Trust Agreement.

Section 7.17 Conditions Precedent to Bond Issuance. The Authority covenants that upon the date of the issuance of any of the Bonds, all conditions, acts and things required by the Constitution or statutes of the State of Florida, or by the Act or this Trust Agreement, to exist, to have happened and to have been performed precedent to or in the issuance of such Bonds shall exist, have happened and have been performed.

Section 7.18 Tax Covenant. The Authority covenants with the holders of each Series of Tax-Exempt Bonds issued hereunder to comply with those tax law requirements applicable to such Series as set forth in tax covenants included in the Supplemental Trust Agreement executed with respect to that Series.

Section 7.19 Senior PFC Indebtedness. The Authority covenants that it will not issue Senior PFC Indebtedness payable from PFC Revenues having a lien thereon superior to the lien thereon created by this Trust Agreement unless (i) the Authority is not in default hereunder at the time of issuance thereof, (ii) the Authority shall have delivered to the Trustee a certificate to the effect that it is in compliance with the PFC Act, the PFC Regulations and the PFC Approvals and that the Senior PFC Indebtedness is being issued for the purpose of funding the cost of PFC Projects, and (iii) the Authority shall have delivered to the Trustee on or immediately prior to the issuance of such Senior PFC Indebtedness a statement of the Airport Consultant that in his opinion, the PFC Revenues to be received by the Authority during the Fiscal Year in which such Senior PFC Indebtedness is issued and for each Fiscal Year thereafter through the Period of Review, shall not be less than One Hundred Twenty-Five percent (125%) of an amount equal to the largest amount of principal, interest and the required deposits into a redemption account or amortization fund that will mature or become due in any succeeding Fiscal Year on account of all Senior PFC Indebtedness and PFC Bonds then Outstanding (including the Senior PFC Indebtedness proposed to be issued but excluding any Senior PFC Indebtedness or PFC Bonds to be defeased by the issuance of such Senior PFC Indebtedness).

For purposes of determining compliance with the foregoing requirements, the following rules will apply:

(i) Airport Consultant may assume (a) that the rate of the levy of Passenger Facility Charges constituting a part of the PFC Revenues in effect on the date of issuance of such Series will be in effect for the entire forecast period, and (b) a higher rate to the extent legislation has been enacted to permit an increase in Passenger Facility Charges if the Authority has taken all action required to impose and use such increased charges at Tampa International Airport pursuant to such legislation prior to the date of the Airport Consultant's Report; and

(ii) The Airport Consultant, in making its forecast shall assume that the percentage of enplaned passengers subject to Passenger Facility Charges during the forecast period will not exceed the average percentage during the three fiscal years immediately preceding the year the report of the Airport Consultant is issued.

ARTICLE VIII.
REMEDIES

Section 8.01 [Intentionally Deleted].

Section 8.02 Events of Default. Each of the following events is hereby declared an "event of default":

(a) payment of the principal and premium, if any, or the making of any deposits into the Redemption Account, of or for any of the Bonds shall not be made when the same shall become due and payable, either at maturity or on required payment dates by proceedings for redemption or otherwise; or

(b) payment of any installment of interest shall not be made within thirty (30) days after the same shall become due and payable; or

(c) the Authority shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(d) final judgment for the payment of money shall be rendered against the Authority as a result of the ownership and control of said Airport System and any such judgment shall not be discharged within ninety (90) days from the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to conclusively set aside or stay the execution of or levy under such judgment, order, decree or process or the enforcement thereof; or

(e) an order or decree shall be entered, with the consent or acquiescence of the Authority, appointing a receiver or receivers of said Airport System or the Revenues derived therefrom, or if such order or decree, having been entered without the consent or acquiescence of the Authority, shall not be vacated or discharged or stayed on appeal within ninety (90) days after the entry thereof; or

(f) any proceedings shall be instituted, with the consent or acquiescence of the Authority, for the purpose of effecting a composition between the Authority and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statutes now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Revenues derived from said Airport System or other moneys pledged therefor; or

(g) the Authority shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Trust Agreement on the part of the Authority to be performed, and such default shall continue for one hundred eighty (180) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority by the Trustee, or such longer period as may be reasonably required to cure such default as long as the Authority diligently pursues such cure, which notice may be given by the Trustee in its discretion and shall be given by the Trustee at the written direction of the holders of not less than thirty-three per centum (33%) in principal amount of the Bonds then Outstanding.

Section 8.03 Remedies. Upon the happening and continuance of any event of default specified in Section 8.02 of this Article, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than twenty-five per centum (25%) in principal amount of the Bonds then Outstanding hereunder shall proceed, subject to the provisions of Section 9.02 of this Trust Agreement, to protect and enforce its right and the rights of the Bondholders under the laws of the State of Florida, or under this Trust Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board, body or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights. Such remedy shall include the right to the appointment of a receiver for said Airport System, which receiver shall be under the duty of collecting and distributing the rentals and other income thereof pursuant to the provisions and requirements of this Trust Agreement. Additionally, the rights and remedies which the Trustee may or shall exercise include, but are not limited to, all or any of the following; provided, however, that no Bond issued hereunder may be declared due and payable before its scheduled maturity or redemption date:

(a) The right in its own name by any action, writ, or other proceeding to enforce all rights of the Bondholders, including the right to require the Authority to perform its duties under this Trust Agreement and the Act;

(b) The right to bring an action upon all or any part of the Bonds or claims appurtenant thereto;

(c) The right, by action, to require the Authority to account as if it were the trustee of an express trust for the Bondholders; or

(d) The right, by action, to enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

In the enforcement of any remedy under this Trust Agreement the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining due from the Authority for principal, premium, interest or otherwise under any of the provisions of this Trust Agreement or of the Bonds and unpaid, with interest on overdue payments at the rate or rates of interest specified in such Bond together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce judgment or decree against the Authority, but solely as provided herein and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (but solely from moneys in the Sinking Fund and any other moneys available for such purpose) in any manner provided by law, the moneys adjudged or decreed to be payable.

Section 8.04 Application of Funds After Default. If at any time the moneys in the Sinking Fund shall not be sufficient to pay the principal of or the interest on the Bonds and the Qualified Hedge Payments as the same become due and payable, such moneys, together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied (1) to the payment of all installments of interest and Qualified Hedge Payments then due, in the order of the maturity of the installments of such interest and Qualified Hedge Payments, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds or the Qualified Hedge Payments, and (2) to the payment of all installments or principal then due in the order of the maturity of such installments of principal.

(b) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, or any Qualified Hedge Payment over any payment due with respect to the Bonds, ratably, according to the amounts due, respectively, for principal, interest and Qualified Hedge Payments, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

The provisions of this Section are in all respects subject to the provisions of Section 8.01 of this Article.

Whenever moneys are to be applied to the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys

available for application and the likelihood of additional moneys becoming available for such application in the future; the deposit of any of such moneys with any of the Paying Agents, or otherwise setting aside such moneys, in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Authority to any Bondholder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances and ultimately applies the same in accordance with such provisions of this Trust Agreement as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to the holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.05 Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 8.06 Holders' Control of Proceeding. Anything in this Trust Agreement to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds then Outstanding hereunder shall have the right, subject to the provisions of Section 9.02 of this Trust Agreement, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Trust Agreement, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Section 8.07 Restriction on Bondholder's Action. No holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder or for any other remedy hereunder unless such holder previously shall have given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be taken, and unless the holders of not less than twenty-five per centum (25%) in principal amount of the Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of

this Trust Agreement or for any other remedy hereunder. It is understood and intended that no one or more holders of the Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Trust Agreement, or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all holders of the Outstanding Bonds.

Section 8.08 Proceedings by Trustee. All rights of action under this Trust Agreement or under any of the Bonds secured hereby, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the production thereof on the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such Bonds subject to the provisions of this Trust Agreement.

Section 8.09 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or equity or by statute.

Section 8.10 Waivers and Delays in Enforcement. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing, upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Trust Agreement to the Trustee and the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient; provided, however, no such power or remedy may be exercised in the case of a default where such particular default has later been cured with or without the exercise of such power or remedy.

The Trustee may, and upon written request of the holders of not less than a majority in principal amount of the Bonds then Outstanding shall, waive any default which shall have been remedied before the entry of any judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Trust Agreement or before the completion of the enforcement of any other remedy under this Trust Agreement, but no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

Section 8.11 Notice of Default to Holders. The Trustee shall mail or electronically deliver (which may be satisfied by filing on EMMA) to all Bondholders who shall have filed their names and addresses with the Trustee for such purpose, written notice of the occurrence of any event of default set forth in clauses (a) or (b) of Section 8.02 of this Article within thirty (30) days after any such event of default shall have occurred. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail or deliver any such notice.

ARTICLE IX.
CONCERNING THE TRUSTEE

Section 9.01 Acceptance of Duties. The Trustee accepts and agrees to execute the trusts imposed upon them by this Trust Agreement, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Trust Agreement, to all of which the parties hereto and the respective holders of the Bonds agree. The Trustee shall not be liable for the acts of the other or the failure of the other to act. All funds created under this Trust Agreement to be held by the Trustee shall be administered as trust funds as herein provided.

Section 9.02 Trustee's Duties as to Proceedings. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Trust Agreement, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trust hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment reasonably proper to be done by it as such Trustee, without indemnity, and in any such case the Authority shall reimburse the Trustee from the rentals and other income derived from said Airport System for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Authority shall fail to make such reimbursement, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Trust Agreement and shall be entitled to a preference therefor over any of the Bonds Outstanding hereunder.

Section 9.03 Trustee's Duties as to Insurance; Validity. The Trustee shall be under no obligation, except as provided in Article VII hereof, to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Authority, or to report, or make or file claim or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessment, or to require any such payment to be made. The Trustee shall have no responsibility in respect of the validity or sufficiency of this Trust Agreement or the due execution or acknowledgment thereof, or in respect of the validity of the Bonds or the due execution or issuance thereof.

Section 9.04 Responsibilities as to Collections, Deposits and Application of Funds. The Trustee shall not be liable or responsible because of the failure of the Authority or any of its employees or agents to make any collections or deposits or to perform any act herein required of them or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other Depositary or paying agent other than itself in which such moneys shall have been deposited under the provisions of this Trust Agreement. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, withdrawn or transferred in accordance with the provisions of this Trust Agreement. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 9.05 Compensation. Subject to the provisions of any contract between the Authority and the Trustee, the Authority shall from the Revenues derived from said Airport System and other moneys pledged herein, pay to the Trustee reasonable compensation for all services performed by it hereunder and also all of its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the administration and execution of the trusts hereby created and the performance of its powers and duties hereunder, and, from such Revenues derived from said Airport System only, subject to applicable law, shall indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder and which are not due to its own negligence or default. If the Authority shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in its possession under the provisions of this Trust Agreement and shall be entitled to a preference therefor over any of the Bonds Outstanding hereunder.

Section 9.06 Reliance. In case at any time it shall be necessary or desirable for the Trustee to make an investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee and in any case in which this Trust Agreement provides for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Trust Agreement, and any such certificate shall be evidence of such fact to protect the Trustee in any action that it may or may not take or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Trust Agreement, any request, notice or other instrument from the Authority to the Trustee shall be deemed to have been signed by the proper party or parties if signed by the Chairman and Secretary of the Authority and the Trustee may accept a certificate signed by said Secretary as to any action taken by the Authority.

Section 9.07 Notice of Events. Except as otherwise provided in this Trust Agreement, the Trustee shall not be obligated to take notice or be deemed to have notice of any event of default hereunder except as to the funds held by it or other defaults actually known to it unless specifically notified in writing of such event of default by a holder or holders of said Bonds.

Section 9.08 Trustee as Bondholder. The bank or trust company acting as Trustee under this Trust Agreement, and their respective directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued under and secured by this Trust Agreement and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Trust Agreement.

Section 9.09 Authority's Representations. The recitals, statements and representations contained herein and in the Bonds (excluding the Trustee's certificate on the Bonds) shall be taken and construed as made by and on the part of the Authority and not by the Trustee, and the Trustee assumes, and shall be under, no responsibility for the correctness of the same.

Section 9.10 Actions in Good Faith. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Trust Agreement, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document

which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person, or to have been prepared and furnished pursuant to any of the provisions of the Trust Agreement, or upon the written opinion of any attorney, engineer or accountant believed by the Trustee to be qualified in relation to the subject matter. The Trustee shall not be bound to recognize any person as a holder of any Bond or to take any action at his request unless proof of ownership of such Bond satisfactory to the Trustee has been exhibited to or deposited with the Trustee.

Section 9.11 Resignation. The Trustee may resign and thereby become discharged from the trusts hereby created, by notice in writing to be given to the Authority and to any Bondholder who has filed his name and address with the Trustee for such purpose and posting such notice on EMMA, not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee hereunder, if such Trustee shall be appointed before the time limited by such notice and shall then accept the trusts hereof.

Section 9.12 Removal. The Trustee may be removed by the Authority at any time and a successor Trustee may be appointed hereunder by the Authority; provided, however, that no successor Trustee shall be appointed by the Authority under this Section or Section 9.13 without the written approval of the original purchaser of the Bonds, or the corporate successor or successors of the original purchaser.

Section 9.13 Vacancies; Successor Trustee. If at any time hereafter the Trustee shall resign, be removed, be dissolved or otherwise become incapable of acting, or the bank or trust company acting, as Trustee shall be taken over by any governmental official, agency, department or board, the position of Trustee shall thereupon become vacant. If at any time moneys on deposit with the Trustee shall not be secured as required in Section 6.01 of this Trust Agreement, a vacancy in the position of Trustee may be declared by a resolution duly passed by the Authority. If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, the Authority shall appoint a Trustee to fill such vacancy.

If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article, the holder of any Bond Outstanding hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Any Trustee hereafter appointed shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by a United States federal or state authority, of good standing, and having a combined capital and surplus aggregating not less than Fifty Million Dollars ($50,000,000).

Section 9.14 Acceptance by Successor of Duties. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations of its predecessor; but such predecessor

shall, nevertheless, on the written request of its successor or of the Authority, and upon payment of the compensation, expenses, charges and other disbursements of such predecessor which are payable pursuant to the provisions of Section 9.05 of this Article, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all property and moneys held by it hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Authority.

Notwithstanding any of the foregoing provisions of this Article, any bank or trust company having power to perform the duties and execute the trusts of this Trust Agreement and otherwise qualified to act as Trustee hereunder with or into which the bank or trust company acting as Trustee may be merged or consolidated, or to which the assets and business of such bank or trust company may be sold, shall be deemed the successor of the Trustee.

Section 9.15 [Intentionally Deleted].

ARTICLE X.
EXECUTION OF INSTRUMENTS OF BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

Section 10.01 Evidence of Signatures of Bondholders and Ownership of Bonds. Any request, direction, consent or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed by an instrument in writing. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Trust Agreement, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument, if made in the following manner:

(A) The fact and date of the execution by any person of any such instrument may be proved by the verification of any officer in any jurisdiction who, by the laws thereof, has power to take affidavits within such jurisdiction, to the effect that such instrument was subscribed and sworn to before him, or by an affidavit of a witness to such execution.

(B) The fact of the holding of Bonds hereunder by any Bondholder and the number of such Bonds and the date of his holding the same (unless such Bonds be registered) may be proved by the affidavit of the person claiming to be such holder, if such affidavit shall be deemed by the Trustee to be satisfactory, or by a certificate executed by any trust company, bank, banker or any other depositary, wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with such trust company, bank, banker or other depositary the Bonds described in such certificate. The Trustee may conclusively assume that such ownership continues until written notice to the contrary is served upon the Trustee. The ownership of Bonds registered as to principal or as to principal and interest shall be proved by the registration books kept by the Trustee under the provisions of this Trust Agreement.

None of the provisions contained in this Article, however, shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient. Any request or consent of the holder of any Bond shall bind every future holder of the same Bond in respect of anything done by the Trustee in pursuance of such request or consent.

ARTICLE XI. SUPPLEMENTAL TRUST AGREEMENTS

Section 11.01 Supplements Not Requiring Bondholder Consent. The Authority and the Trustee may, from time to time and at any time, enter into such supplemental trust agreements as shall not be inconsistent with the terms and provisions of this Trust Agreement (which supplemental trust agreements shall thereafter form a part hereof):

(A) To cure any ambiguity or formal defect or omission in this Trust Agreement or in any supplemental trust agreement, or

(B) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders or the Trustee, or

(C) To make any other changes or modifications to or to otherwise amend the Trust Agreement in any manner that does not materially adversely affect the interests or rights of any of the holders of the Bonds issued pursuant to the terms hereof and then Outstanding; or

(D) To the extent necessary, as evidenced by an Opinion of Bond Counsel, to preserve the exclusion of interest on the Tax-Exempt Bonds Outstanding from gross income for federal income tax purposes. For purposes hereof, "*Tax-Exempt Bonds*" shall mean Bonds issued hereunder, the interest on which was intended at the time of issuance thereof to be excludable from gross income of the holders thereof for federal income tax purposes.

No such amendment shall affect the payment of debt service on the Bonds when due unless the Bond Insurer shall have first consented to such amendments.

Section 11.02 Modifications Requiring Bondholder Consent. Subject to the terms and provisions contained in this Section and not otherwise, the holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, shall have the right, from time to time, anything contained in this Trust Agreement to the contrary notwithstanding, to consent to and approve the execution by the Authority and the Trustee, as the case may be, of such supplemental trust agreement as shall be deemed necessary or desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Trust Agreement or in any supplemental trust agreement; provided, however, that nothing herein contained shall permit, or be construed as permitting (a) an extension of the maturity of principal of or the interest on any Bond issued hereunder, or (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest

thereon, or (c) the creation of a lien upon or pledge of the Revenues derived from said Airport System or other moneys pledged herein ranking prior to the lien or pledge created by this Trust Agreement for the Bonds, or (d) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental trust agreement. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the execution of any supplemental trust agreement as authorized in Section 11.01 of this Article.

If at any time the Authority shall request the Trustee to enter into any supplemental trust agreement for any of the purposes of this Section, the Trustee shall, at the expense of the Authority, cause notice of the proposed execution of such supplemental trust agreement to be posted on EMMA, and, on or before the date of the posting of such notice, the Trustee shall also cause a similar notice to be mailed, postage prepaid, or electronically delivered to all registered owners of Bonds then Outstanding, at their addresses as they appear on the registration books and to all other Bondholders who shall have filed their names and addresses with the Trustee for such purpose. Such notice shall briefly set forth the nature of the proposed supplemental trust agreement and shall state that a copy thereof is on file at the office of the Trustee for inspection by all Bondholders. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to post, mail or deliver the notice required in this Section, and any such failure shall not affect the validity of such supplemental trust agreement when consented to and approved as provided in this Section.

Whenever the Authority shall deliver to the Trustee an instrument or instruments purporting to be executed by the holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed supplemental trust agreement described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such notice as on file with the Trustee, thereupon, but not otherwise, the Trustee may execute such supplemental trust agreement in substantially such form, without liability or responsibility to any holder of any Bond, whether or not such holder shall have consented thereto. Holders of Bonds issued pursuant to Supplemental Trust Agreements containing such amendments and providing that the holders of such Bonds, by acceptance thereof, consent to and approve the terms thereof, shall be deemed to have consented to such amendments for all purposes hereof.

If the holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of such supplemental trust agreement shall have consented to and approved the execution thereof as herein provided, no holder of any Bonds shall have any right to object to the execution of such supplemental trust agreement or to object to any of the terms and provisions contained therein or in the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof.

Upon the execution of any supplemental trust agreement pursuant to the provisions of this Section, this Trust Agreement shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Trust Agreement of the Authority, the Trustee and all holders of Bonds then Outstanding, shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

To the extent permitted by law, at the time of issuance or remarketing of Bonds issued under this Trust Agreement, a broker, dealer or municipal securities dealer, serving as underwriter or remarketing agent for such Bonds, may provide consent to amendments to this Trust Agreement on behalf of all subsequent Holders of such Bonds. In addition, Holders of Bonds issued under the Trust Agreement may be deemed to have provided consent to amendments to the Trust Agreement pursuant to this Section 11.02 if the Bonds or the offering document for such Bonds expressly describes the amendments to Trust Agreement contained therein and states by virtue of the purchase of such Bonds, the Holders are deemed to have notice of, and have consented to, such amendments.

Section 11.03 Trustee Joinder. The Trustee is authorized to join with the Authority in the execution of any such supplemental trust agreement and to make the further agreements and stipulations which may be contained therein. Any supplemental trust agreement executed in accordance with the provisions of this Article shall thereafter form a part of this Trust Agreement and all of the terms and conditions contained in any such supplemental trust agreement as to any provisions authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions of this Trust Agreement for any and all purposes. In case of the execution and delivery of any supplemental trust agreement, express reference may be made thereto in the text of any Bonds issued thereafter, if deemed necessary or desirable by the Trustee or the Authority.

Section 11.04 Trustee's Reliance on Opinions. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it, who may be Bond Counsel or counsel for the Authority, and the reports or certificates of the Airport Consultant or the Authority's financial advisors, as conclusive evidence that any such proposed supplemental trust agreement does or does not comply with the provisions of this Trust Agreement, and that it is or is not proper for the Trustee, under the provisions of this Article, to join in the execution of such supplemental trust agreement.

Section 11.05 Approved Conceptual Amendments[3]. The holders of more than two-thirds (2/3rds) of the Outstanding Bonds, by acceptance of their respective Bonds, have consented to and approved the following amendments to this Trust Agreement, it being understood and agreed that the provisions set forth below are conceptual and descriptive in nature only and that such consent and approval shall apply to definitive provisions approved by the Authority and the Trustee which embody the intent, and are not inconsistent with, the generalized descriptions of the amendments set forth below:

(A) This Trust Agreement may be amended to authorize and permit the issuance of zero coupon bonds, deep discount bonds, commercial paper, variable rate obligations, tender bonds, designated maturity bonds and other similar or dissimilar project financing vehicles, and derivative products related to such financing including hedges, caps, collars, swaps and similar products. It is contemplated within this general authorization that debt may mature and become payable as frequently as daily. Definitive provisions reflecting the intent of this paragraph will contain methodology or techniques for calculating annual bond service requirements and similar provisions relating to the Rate Covenant, amounts deposited into the Reserve Fund, tests with respect to the issuance of Additional Bonds, the Bond Obligation to be used for voting and consent purposes, and the like. Provisions may also be added with respect to liquidity facilities required in connection with the issuance of such financing techniques. Any such changes in the Additional Bonds test, the methodology for calculation of the debt service requirements in any year, the Authority's Rate Covenant or the reserve funding requirements that arise from the issuance of such debt products shall be subject to the consent of each respective Bond Insurer, which consent will not be unreasonably withheld.

(B) The definition of "Gross Revenues" or "Revenues" may be amended to specifically exclude, in addition to the moneys theretofore excluded from the definition of that term, all the revenue sources available to the Authority that are not directly related to the handling of passengers and greeters to, from and around the airport facilities or the granting of rights in or with respect to the core terminal facilities. (Airline landing fees and parking revenues, and fees generated from leases and concessionaire agreements in or with respect to the core terminal facilities, shall, for all purposes of this Trust Agreement, be treated as Gross Revenues.) Any such amendment shall provide that before it shall become effective, the Authority shall submit to the Trustee (i) a certificate to the effect that the remaining Revenues in the year in which the exclusion is to be made will be sufficient to meet the Authority's Rate Covenant in such year and (ii) a certificate from an Airport Consultant reasonably acceptable to the Bond Insurer to the effect that, based on its projections and subject to customary assumptions and limitations, the deletion of such revenues from the lien of this Trust Agreement will not adversely affect the Authority's ability to meet the Authority's Rate Covenant in each of the five Fiscal Years following the effective date of such amendment.

(C) Article IV of this Trust Agreement may be amended to provide that separate Construction Accounts may be established for each series of Additional Bonds and that the provisions with respect to such Construction Accounts as set forth in Supplemental Trust Agreements executed in connection with such Additional Bonds may supersede any of the requirements for the Construction Fund contained in Article IV of this Trust Agreement.

(D) The flow of funds contained in Article V may be amended in the following respects:

> (i) The Authority shall be free to add additional funds and accounts (including without limitation, accounts with respect to Subordinated Indebtedness and liquidity and credit enhancement products), to arrange the priority of such funds and accounts, and to delete funds and accounts, or modify their funding requirements, in each case with respect to such funds and accounts that are funded subsequent to the funding of the Reserve Fund (and subsequent to the funding of any accounts created for the payment of liquidity reimbursements and subordinated indebtedness if such accounts have been added); provided, however, that the deposit requirements with respect to the Operating Reserve Account as set forth in Section 5.02(G) shall not be reduced or eliminated. In addition, the Authority shall not be restricted as to the amounts it may deposit in the Surplus Fund. If the flow of funds is modified pursuant to the foregoing, the Authority may in connection therewith, make concurrent amendments to the Authority's Rate Covenant to take into account the addition, deletion or modification of such funds or accounts; provided, however, that the Authority shall always be obligated to charge rates

[3] Some of the Conceptual Amendments have been implemented in part and the definitive revisions have been incorporated into this Agreement.

that will provide revenues sufficient to pay Operating Expenses and debt service on the Bonds when required or due, and to fully fund at least once each year the deposit requirements into the Operating Reserve Account and any capital replacement fund then in effect.

(ii) The specific provisions for deposits into the Sinking Fund may be added to comply with the funding requirements for commercial paper, variable rate obligations, demand obligations and similar types of financing structures that may be authorized pursuant to the Supplemental Trust Agreements.

(iii) Section 5.02(D) may be amended to permit separate reserve accounts for each issue of Additional Bonds, and the funding requirements with respect thereto, all as specified in the Supplemental Trust Agreements executed in connection with such Additional Bonds. Following such amendment, the holders of Bonds of a Series will have a lien only on the reserve account created and funded with respect to such Bonds. It is intended that such Supplemental Trust Agreements may provide for the deferred funding of such reserve accounts, or contemplate reserve insurance, letters of credit, surety bonds or other reserve credit facilities in lieu of a cash reserve, and that the existence, sizing criteria and other matters with respect to reserves for any issue of Additional Bonds shall all be specified in each such Supplemental Trust Agreement.

(E) Article VI may be amended to permit the Authority to invest any of the funds and accounts held under or pursuant to the terms of this Trust Agreement, other than the Sinking Fund and the Reserve Fund, in any investments (and with such collateralization, if any, and maturity), as may be permitted for political subdivisions under the laws of the State of Florida. The Reserve Fund with respect to all Bonds Outstanding prior to the effective date of such an amendment shall remain subject to the investment limitations previously contained in this Trust Agreement.

(F) Article VIII may be amended (i) to eliminate the right of acceleration for any Bonds Outstanding and (ii) to permit the Bond Insurer with respect to any series of Additional Bonds, to exercise rights and remedies on behalf of the holders of Bonds it insures, in the manner and to the extent permitted pursuant to the terms of the Supplemental Trust Agreement executed in connection with the issuance of such Additional Bonds.

(G) Article IX may be amended to eliminate the preference in favor of the Trustee with respect to moneys held by it hereunder, for payment of the fees and costs of the Trustee under this Trust Agreement and to allow the Authority to change the Trustee at any time without the consent of the holders of any of the Bonds.

(H) Article XI may be amended to permit any other amendments that would not materially adversely affect the Authority's ability to meet the Authority's Rate Covenant; provided, however, that no such amendment that affects the payment of debt service on the Bonds when due shall be made without the consent of each respective Bond Insurer.

(I) The definition of "Special Purpose Facility" contained in Article XIII may be amended to include any capital project generally relating to airport operations or ancillary services, wherever such projects may be located.

(J) This Trust Agreement may be amended to provide that the Authority may treat the Bond Insurer as the holder of all Bonds Outstanding under this Trust Agreement that are insured by it, for all purposes of this Trust Agreement, or for any limited purpose specified in the Supplemental Trust Agreement executed in connection with such insured Additional Bonds.

The Authority covenants that it will provide each of the national rating agencies then carrying an effective rating on the Bonds with a copy of any amendments made to this Trust Agreement pursuant to the provisions hereof; however, failure to timely provide such notice shall not affect the validity of any such amendment or cause a default under this Trust Agreement.

ARTICLE XII.
DEFEASANCE

Section 12.01 Defeasance. If, when the Bonds, or any Series, maturity or portion thereof secured hereby shall have become due and payable in accordance with their terms or otherwise as provided in this Trust Agreement or shall have been duly called for redemption or irrevocable instructions to call such Bonds for redemption shall have been given by the Authority to the Trustee, the whole amount of the principal and the interest and the premium, if any, so due and payable upon such Bonds shall be paid, or sufficient moneys shall be held in trust or in escrow by the Trustee or the Paying Agents and irrevocably set aside for the payment or redemption of such Bonds which, when invested in direct obligations of the United States of America or other securities so designated by Supplemental Trust Agreement for such Bonds, maturing not later than the maturity or designated redemption dates of such principal, interest and redemption premiums, if any, will, together with the income realized on such investments, be sufficient to pay all such principal, interest and redemption premiums, if any, on such Bonds at their scheduled due dates, maturity dates and optional or mandatory redemption dates, then such Bonds shall be deemed paid and no longer be deemed Outstanding for purposes of this Trust Agreement, all liabilities of the Authority to the holders of such Bonds shall cease, terminate and be completely discharged and extinguished, and such Holders shall be entitled to payment of such Bonds solely from moneys and securities so deposited.

If all Bonds Outstanding hereunder shall be deemed paid pursuant to the foregoing provisions and provisions shall also be made for paying all Qualified Hedge Payments, Reimbursement Obligations and Derivative Non-Scheduled Payments in accordance with their terms and all other sums payable hereunder by the Authority, then and in that case the right, title and interest of the Trustee shall thereupon cease, determine and become void, and the Trustee in such case, on demand of the Authority, shall release this Trust Agreement and shall execute such documents to evidence such release as may be reasonably required by the Authority, and shall turn over to the Authority, or such officer, board or body as may then be entitled by law to receive the same, any surplus in any account in the Sinking Fund and all balances remaining in any other funds or accounts other than moneys held for redemption or payment of Bonds; otherwise this Trust Agreement, shall be, continue and remain in full force and effect.

ARTICLE XIII.
SPECIAL PURPOSE BONDS

Section 13.01 Special Purpose Facilities. The construction and acquisition of Special Purpose Facilities is hereby authorized under and pursuant to the terms and conditions hereinafter set forth in this Article.

For the purposes of this Article the term "Special Purpose Facilities" shall mean hangars, aircraft overhaul, maintenance or repair shops, motels, hotels, storage facilities and garages, cargo handling buildings, office towers, mixed use transportation facilities and other similar facilities, which in each case, except for motels or hotels, are not located in the airport terminal complex, and the cost of construction and acquisition of which facilities are financed with the proceeds of Special Purpose Bonds issued pursuant to this Article.

Section 13.02 Authority to Issue Special Purpose Bonds. Before any Special Purpose Facilities shall be constructed or acquired by the Authority, the Authority, pursuant to this Article XIII, shall adopt a resolution describing in reasonable detail, sufficient for identification thereof, the Special Purpose Facilities to be constructed or acquired by the Authority, authorizing the issuance of Special Purpose Bonds to finance the cost of construction or acquisition of such Special Purpose Facilities and prescribing the rights, duties, remedies, and obligations of the Authority and the holders, from time to time, of such Special Purpose Bonds.

Section 13.03 Terms of Special Purpose Bonds. The Special Purpose Bonds authorized by the resolution referred to in Section 13.02 of this Article XIII shall be revenue bonds payable solely from rentals or other charges derived by the Authority under and pursuant to a lease or leases relating, to the Special Purpose Facilities entered into by and between the Authority, as lessor, and such person, firm or corporation, either public or private, as shall lease, as lessee, the Special Purpose Facilities from the Authority, and may be issued by the Authority notwithstanding the limitations, restrictions and conditions hereinbefore contained in this resolution relating to the issuance of pari passu additional Bonds or other obligations; provided, however, that no such Special Purpose Bonds shall be issued by the Authority unless the Airport Consultant shall have, prior thereto, filed with the Authority a certificate, executed by the Airport Consultant, certifying that the estimated rentals or other charges to be derived by the Authority under and pursuant to the leases, loan agreements, promissory notes or other payment arrangements relating to the Special Purpose Facilities then being financed with such Special Purpose Bonds will be at least sufficient to pay the principal of and interest on such Special Purpose Bonds as the same mature and become due, all costs of operating and maintaining such Special Purpose Facilities not paid for by the lessee thereof and all sinking fund, reserve or other payments required by the resolution authorizing the Special Purpose Bonds as the same become due, and further certifying that the construction and operation of such Special Purpose Facilities will not decrease the Revenues to be derived by the Authority from said Airport System; and provided, further, that no such Special Purpose Bonds shall be issued by the Authority until the Authority has entered into a lease as aforesaid which lease shall be for a term at least as long as the period during which such Special Purpose Bonds are Outstanding, and unpaid and which lease shall provide for annual payments to the Authority, in addition to all rentals and other charges for the use of the Special Purpose Facilities, of ground rent in an amount which is

determined by the parties to such lease to be a fair and reasonable rental for the land on which said Special Purpose Facilities are constructed.

ARTICLE XIV.
MISCELLANEOUS PROVISIONS

Section 14.01 Successor Paying Agents. Any bank or trust company with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Trust Agreement. If the position of any Paying Agent shall become vacant for any reason, the Authority shall, within thirty (30) days thereafter, appoint a bank or trust company located in the same city as Paying Agent to fill such vacancy; provided, however, that if the Authority shall fail to appoint such Paying Agent within said period, the Trustee shall make such appointment.

Section 14.02 Notices. Any notice, demand, direction, request or other instrument authorized or required by this Trust Agreement to be given to or filed with the Authority, the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this Trust Agreement if and when sent by registered mail, return receipt requested:

To the Authority, if addressed to the Hillsborough County Aviation Authority, Tampa, Florida.

To the Trustee, at its then principal office.

All documents received by the Trustee under the provisions of this Trust Agreement shall be retained in its possession, subject at all reasonable times to the inspection by the Authority, the Airport Consultants, and any Bondholder, and the agents and representatives thereof.

Section 14.03 Third Party Beneficiaries. Except as herein otherwise expressly provided, nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto and the holders of the Bonds issued under and secured by this Trust Agreement, any right, remedy or claim, legal or equitable, under or by reason of this Trust Agreement or any provision hereof, this Trust Agreement and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto and the holders from time to time of the Bonds issued hereunder.

Section 14.04 Limitation of Liability. Nothing in the Bonds or in this Trust Agreement shall create or constitute or be construed as creating or constituting an indebtedness of the Authority, the County of Hillsborough, the City of Tampa, or any other political subdivision in said County, within the meaning of any constitutional or statutory debt limitation or provision, nor a lien upon any property of the Authority, said County, City, or other political subdivision in said County, except the Revenues derived from said Airport System and other moneys pledged in the manner hereinafter provided. No holder of any Bond issued hereunder shall ever have the right to require the exercise of the ad valorem taxing power of the Authority, the County of Hillsborough, the City of Tampa, or any other political subdivision in said County, for the payment of the principal of or any interest on any Bonds or the making of any payments required by this Trust Agreement.

Section 14.05 Severability. In case any one or more of the provisions of this Trust Agreement or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Trust Agreement or of said Bonds, but this Trust Agreement and said Bonds shall be construed and enforced as if such illegal and invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the Bonds or in this Trust Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the parties thereto to the extent permitted by law.

Section 14.06 Members Not Liable. All covenants, stipulations, obligations and agreements of the Authority contained in this Trust Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the Authority to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Authority in his individual capacity, and neither the members of the Authority nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 14.07 Counterparts. This Trust Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

Section 14.08 Headings. Any heading preceding the text of the several Articles hereof shall be solely for convenience of reference and shall not constitute a part of this Trust Agreement, nor shall they affect its meaning, construction or effect.

Section 14.09 Non-Discrimination. During the performance of this Trust Agreement, Trustee and its respective assignees and successors in interest, agrees as follows:

(a) In carrying out its services to the Authority, Trustee will comply with the regulations relative to non-discrimination in federally assisted programs of the Department of Transportation (DOT) Title 49, Code of Federal Regulations, Part 21, as amended from time to time (hereinafter referred to as the Regulations), which are incorporated herein by reference and made a part of this Trust Agreement.

(b) Civil Rights. Trustee, with regard to the work performed by it under this Trust Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Trustee will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21. During the performance of this Trust Agreement, Trustee, for itself, its assignees, and successors in interest agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

(i) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);

(ii) 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);

(iii) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

(iv) Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;

(v) The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);

(vi) Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

(vii) The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

(viii) Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

(ix) The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

(x) Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

(xi) Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, Trustee must take reasonable steps to ensure that LEP persons have meaningful access to Trustee's programs (70 Fed. Reg. at 74087 to 74100); and

(xii) Title IX of the Education Amendments of 1972, as amended, which prohibits Trustee from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

(c) In all solicitations either by competitive bidding or negotiation made by the Trustee for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier must be notified by Trustee of Trustee's obligations under this Trust Agreement and the Regulations relative to nondiscrimination on the grounds of race, color or national origin.

(d) Trustee will provide all information and reports required by the Regulations or directives issued pursuant thereto and must permit access to its books, records, accounts, other sources of information and its facilities as may be determined by Authority or the FAA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of Trustee is in the exclusive possession of another who fails or refuses to furnish this information, Trustee will so certify to Authority or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

(e) In the event of Trustee's non-compliance with the non-discrimination provisions of this Trust Agreement, Authority will impose such contractual sanctions as it or the FAA may determine to be appropriate, including, but not limited to, withholding of payments to Trustee under this Trust Agreement until Trustee complies, and/or cancellation, termination or suspension of this Trust Agreement, in whole or in part.

(f) Trustee will include the provisions of Paragraphs (a) through (e) in every subcontract and subconsultant contract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued thereto. Trustee will take such action with respect to any subcontract or procurement as Authority or the FAA may direct as a means of enforcing such provisions, including sanctions for non-compliance. Provided, however, that in the event Trustee becomes involved in or is threatened with litigation with a subcontractor or supplier as a result of such direction, Trustee may request Authority to enter into such litigation to protect the interests of Authority and, in addition, Trustee may request the United States to enter into such litigation to protect the interests of the United States.

(g) Trustee assures that, in the performance of its obligations under this Trust Agreement, it will fully comply with the requirements of 14 CFR Part 152, Subpart E (Non-Discrimination in Airport Aid Program), as amended from time to time, to the extent applicable to Trustee, to ensure, among other things, that no person will be

excluded from participating in any activities covered by such requirements on the grounds of race, creed, color, national origin, or sex. Trustee, if required by such requirements, will provide assurances to Authority that Trustee will undertake an affirmative action program and will require the same of its subconsultants.

Section 14.10 Compliance with Chapter 119, Florida Statutes Public Records Law. IF TRUSTEE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE TRUSTEE'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS TRUST AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (813) 870-8721, **ADMCENTRALRECORDS@TAMPAAIRPORT.COM**, HILLSBOROUGH COUNTY AVIATION AUTHORITY, P.O. BOX 22287, TAMPA FL 33622.

In carrying out its Trustee services under this engagement, and to the extent it is acting on behalf of the Authority as provided under Florida Statute Section 119.011(2), the Trustee agrees in accordance with Florida Statute Section 119.0701 to comply with public records laws including the following:

(a) Keep and maintain public records required by Authority in order to perform the Services contemplated by this Trust Agreement.

(b) Upon request from Authority custodian of public records, provide Authority with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Fla. Stat. or as otherwise provided by law.

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Trust Agreement term and following completion of this Trust Agreement.

(d) Upon completion of this Trust Agreement, keep and maintain public records required by Authority to perform the Services. Trustee shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to Authority, upon request from Authority custodian of public records, in a format that is compatible with the information technology systems of Authority.

Section 14.11 Compliance with Section 20.055(5) Florida Statutes. The Trustee agrees to comply with Section 20.055(5), Florida Statutes, and to incorporate in all subcontracts the obligation to comply with Section 20.055(5) Florida Statutes.

Section 14.12 Superseding Clause. This Codified and Restated Trust Agreement shall, on and as of August 22, 2024, supersede and replace the Original Trust Agreement dated as of October 1, 1968, and all amendments thereto contained in Supplemental Trust Agreements or recodifications which became effective on and prior to that date to the extent amendments contained therein were in definite form and had received the requisite bondholder consent. The terms and provisions of the Supplemental Trust Agreements pertaining to Bonds which remain Outstanding on the effective date hereof shall, except to the extent described in the preceding sentence, remain in full force and effect.

[Remainder of this Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the Hillsborough County Aviation Authority has caused this Trust Agreement to be executed by its Chairman, and the corporate seal of said Authority to be impressed hereon and attested by its Chief Executive Officer and its Executive Vice President of Finance and Procurement; and The Bank of New York Mellon, has caused this Trust Agreement to be executed on its behalf, as Trustee, by one of its Vice Presidents, and attested by one of its Trust Officers, all as of the day and year first above written.

HILLSBOROUGH COUNTY
AVIATION AUTHORITY

(Seal)

By:________________________________
Chairman

Attest:

____
Chief Executive Officer
Hillsborough County Aviation Authority

____
Executive Vice President of Finance and Procurement
Hillsborough County Aviation Authority

THE BANK OF NEW YORK MELLON,
Trustee

By:________________________________
Name: Rick Fierro
Its: Vice President

EXHIBIT "A"

AMENDMENT TO DEFINITION OF RESERVE REQUIREMENT

[*To become effective once the 2017A Bonds, the 2018B Bonds and the 2018C Bonds have been retired or defeased.]*

The definition of Reserve Requirement set forth below will become effective and will replace the definition of Reserve Requirement in the body of the Codified Trust Agreement upon the consent of all the Bonds Outstanding under this Trust Agreement. As of the effective date of this Codified Trust Agreement, only the holders of the 2018 Series E Bonds and the 2018 Series F Bonds, and the holders of the 2022 Bonds, have consented to this amendment.

"Reserve Requirement" shall mean:

(a) with respect to Bonds to be secured by the common Reserve Account in the Reserve Fund, an amount equal to the least of (i) the Maximum Annual Principal and Interest Requirement, calculated with respect to all Series of Bonds Outstanding hereunder that are secured by the common Reserve Account, (ii) 125% of the average Annual Principal and Interest Requirement, calculated with respect to all Series of Bonds Outstanding hereunder that are secured by the common Reserve Account, or (iii) 10% of the aggregate of the stated original principal amount on the date of issue of each Series of Bonds Outstanding hereunder that is secured by the common Reserve Account; provided, however, that in determining the stated original principal amount of a Series of Bonds for the purposes of this clause (iii), the issue price (as defined by the Code) of that Series of Bonds (net of pre-issuance accrued interest) shall be substituted for the original stated principal amount of that Series of Bonds if such Series of Bonds was sold at either an original issue discount or premium exceeding two percent (2%) of the stated principal amount at maturity; and

(b) with respect to each Series of Bonds for which a separate Reserve Account is established pursuant to the terms hereof other than the common Reserve Account, the aggregate amount, if any, required to be deposited in such separate Reserve Account, as specified in the respective Supplemental Trust Agreement entered into in connection with the issuance of such Additional Bonds hereunder. If, pursuant to any such Supplemental Trust Agreement, the Authority is authorized to fund the initial designated amount, or deficiencies therein, over time, the Reserve Requirement for any period shall include only the incremental portion of the deposit requirement for that series of Additional Bonds as specified in the Supplemental Trust Agreement authorizing the issuance of such Additional Bonds. If the Reserve Requirement for any separate account in the Reserve Fund other than the common Reserve Account takes into account the Annual Principal and Interest Requirement, that Reserve Requirement shall be calculated only with respect to the Bonds of the Series secured by that separate account.

The calculation of the Reserve Requirement as to Bonds secured by the common Reserve Account shall be subject to the following rules:

(1) The term "Annual Interest and Principal Requirement" for a given Bond Year shall mean the sum of:

(i) The amount required to pay the interest coming due on Bonds during that Bond Year;

(ii) The amount required to pay the principal of Serial Bonds in that Bond Year, and the principal of Term Bonds maturing in that Bond Year that are not included in the Sinking Fund Installments for such Term Bonds; and

(iii) The Sinking Fund Installments for all series of Term Bonds for that Bond Year.

(2) The term "Maximum Annual Interest and Principal Requirement" shall mean, as of any particular date of calculation, the largest Annual Interest and Principal Requirement for any remaining Bond Year, except that with respect to any Bonds for which Sinking Fund Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Sinking Fund Installments to be made in prior Bond Years.

(3) If Variable Rate Bonds are then Outstanding, the interest rate on such Bonds for purpose of determining the Annual Interest and Principal Requirement shall be calculated pursuant to the provisions included in the definition of Debt Service Requirement herein.

APPENDIX "A"

(FORM OF BOND)

No. R-__ **$________**

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF HILLSBOROUGH
HILLSBOROUGH COUNTY AVIATION AUTHORITY
TAMPA INTERNATIONAL AIRPORT
REVENUE BONDS, 20__ SERIES __ (____)

Interest Rate	Maturity Date	Interest Accrual Date	Cusip No.
______%	October 1, ____	__________, 20___	_________

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ____________________ DOLLARS

THE HILLSBOROUGH COUNTY AVIATION AUTHORITY (the "Authority"), a body politic and corporate created and existing under the laws of the State of Florida, for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above (or earlier as hereinafter provided), but solely from the revenues hereinafter mentioned, the Principal Amount identified above upon the presentation and surrender hereof at the principal office of The Bank of New York Mellon, or its successors, as Bond Registrar and Paying Agent (the "Trustee" or "Registrar"), and to pay, solely from such special revenues, interest on the Principal Amount from the Interest Accrual Date, or from the most recent date to which interest has been paid, at the Interest Rate per annum identified above until payment of the outstanding Principal Amount hereof, such interest being payable semiannually on the first day of April and the first day of October in each year, commencing on _________ 1, 20___. Interest will be paid by check or draft mailed to the Registered Owner hereof at his address as it appears on the registration books of the Authority maintained by the Registrar at the close of business on the fifteenth (15th) day (whether or not a business day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest as established by notice by deposit in the U.S. mails, postage prepaid, by the Authority to the registered owners of Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day, whether or not a business day, preceding the date of mailing.

Payment of principal of, upon presentation and surrender, or interest on Bonds of this Series may, at the election of a registered owner of $1,000,000 or more in aggregate principal amount of Bonds of this Series, by written request delivered to the Trustee at least 10 days prior to the applicable Record Date, be transmitted to such registered owner by wire transfer to an account in the continental United States designated by such registered owner. Any such written election may state that it will apply to all subsequent payments due with respect to the Bonds of this Series held by such registered owner until a subsequent written notice is filed with the Trustee.

This Bond and the interest and premium, if any, hereon are payable solely from and secured on a parity with certain Bonds of the Authority heretofore issued under a Trust Agreement dated as of October 1, 1968, by and among the Authority and The Chase Manhattan Bank (National Association), as predecessor to the Trustee, as codified and restated effective as of August 22, 2024, as amended, and agreements supplemental thereto (collectively, the "Trust Agreement"), pursuant and subject to the provisions, terms and conditions of Resolution No. ____-___ adopted by the Authority on __________, 20__ (the "Resolution"), and the Supplemental Trust Agreement, dated as of ___________, 20__ (the "Supplemental Trust Agreement"), by and among the Authority and the Trustee by an equal lien on the revenues derived from the Airport System of the Authority and other moneys pledged therefor in the manner provided in the Trust Agreement and the Supplemental Trust Agreement. Reference is hereby made to the Resolution, the Trust Agreement and the Supplemental Trust Agreement for the provisions, among others, relating to the terms of and lien and security for the Bonds, the custody and application of the proceeds of the Bonds, the rights and remedies of the registered owners of the Bonds and the extent of and limitations on the Authority's rights, duties and obligations, the provisions permitting the issuance of additional parity indebtedness, and circumstances under which the lien to which this Bond is entitled under the Trust Agreement and the Supplemental Trust Agreement may be released and defeased, to all of which provisions the Registered Owner for himself and his successor in interest assents by acceptance of this Bond.

This Bond shall not be nor constitute a general indebtedness of the Authority, Hillsborough County, the City of Tampa, or any other political subdivision in the State of Florida, within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed that this Bond and the obligation evidenced hereby shall not constitute nor be a lien upon any property of the Authority, except the revenues derived from the Airport System and other moneys pledged therefor, or of Hillsborough County, the City of Tampa or any other political subdivision in the State of Florida, and no registered owner of this Bond shall ever have the right to require or compel the exercise of the ad valorem taxing power of the Authority, Hillsborough County, the City of Tampa or any other political subdivision in the State of Florida, for the payment of this Bond or any interest due hereon and the Authority is not and shall never be under any obligation to pay the principal of or interest on this Bond except from the revenues derived from the Airport System and other moneys pledged therefor, in the manner provided in the Trust Agreement and the Supplemental Trust Agreement. It is further agreed between the Authority and the Registered Owner of this Bond that this Bond and the indebtedness evidenced hereby shall not constitute a lien upon the Airport System, or any part thereof, or any other tangible personal property of or in the Authority, but shall constitute a lien only on certain Revenues derived from the operation of the Airport System and certain other funds and investment earnings thereon, all in the manner and to the extent provided in the Trust Agreement

and the Supplemental Trust Agreement. Neither the members of the Authority nor any person executing the Bonds shall be liable personally on the Bonds by reason of their issuance.

This Bond is one of a duly authorized issue of Bonds in the aggregate principal amount of $__________ of like date, tenor and effect, except as to number, maturity (unless all Bonds mature on the same date), interest rate and payment provisions, issued under and by virtue of the authority contained in and conferred by the Constitution and laws of the State of Florida, including particularly Chapter 2022-252, Laws of Florida, (2022), together with acts amendatory thereof and supplemental thereto (collectively, the "Act"), and other applicable statutes, and Section 2.09 of the Trust Agreement, as amended through the date of issuance of hereof, for the purpose of _______________________.

The Bonds of this series may be redeemed prior to their maturity, at the option of the Authority, from time to time on or after October 1, 20__, in whole or in part, on any date, in such amounts and in the order of maturity or Sinking Fund Installments, all as determined by the Authority and set forth in its notice of redemption to the Trustee, and by lot or as the Authority may designate within a maturity or Sinking Fund Installment if less than all, at the redemption price of one hundred percent (100%) of the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date.

The Bonds of this series maturing on and after October 1, 20___ are subject to mandatory redemption on the dates set forth below at the redemption price of par plus accrued interest and without premium (each such redemption to be treated as a Sinking Fund Installment for purposes of the Trust Agreement):

20___ Term Bonds due October 1, 20__:

Amount to be Redeemed	Redemption Date (October 1)
$__________	____
__________	____
__________	____
__________	____
_________	____*

*Final Maturity

Each Sinking Fund Installment of this Bond shown above under "Amounts to be Redeemed" shall be treated as principal payments on Serial Bonds for purposes of Section 5.02(C) of the Trust Agreement.

A notice of the redemption of any of said Bonds shall be sent to the registered owners of such Bonds by regular mail, postage prepaid, or by electronic delivery, in either case at their addresses as they appear on the registration books, at least twenty (20) days prior to the redemption date in the manner provided in the Trust Agreement and Supplemental Trust Agreement; provided, however, that failure to so mail such notice to such registered owners, or any defect therein, shall not affect the validity of the proceedings for redemption of Bonds with respect to which no such failure or defect occurred. The Bonds so duly called for redemption shall become and be due and payable at the redemption price provided for such Bonds or portions thereof on the dates designated for redemption, and when the necessary moneys shall have been deposited with, or shall be held by, the Trustee or Paying Agents, interest on such Bonds called for redemption shall cease to accrue on the dates designated for redemption, and the holders or registered owners of said Bonds called for redemption shall not have any lien, rights, benefits or security under the Trust Agreement and Supplemental Trust Agreement, except to receive payment of the redemption price on the designated date of redemption from moneys deposited with or held by the Trustee or Paying Agents for such redemption of such Bonds. Any notice mailed in accordance with the foregoing requirements shall be conclusively presumed to have been duly given, whether or not the Registered Owner actually receives such notice. Any notice of redemption may state that the redemption contemplated therein is conditioned upon the occurrence of certain events or circumstances described therein as contemplated in the Trust Agreement, as amended, or may be revoked for any other reason, in which case the Authority will not be obligated to redeem such Bonds unless the events therein described have occurred.

The Registered Owner hereof, by acceptance of this Bond, hereby consents to the terms and provisions of the Trust Agreement, including the conceptual amendments set forth in Section 11.05 thereof, and those amendments set forth in subsequent Supplemental Trust Agreements, including the 20__ Supplemental Trust Agreement pursuant to which this Bond was issued.

The registration of this Bond may be transferred upon the registration books by delivery hereof to the principal corporate trust office of the Registrar in the City of New York, New York, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or by his attorney-in-fact or legal representative, containing written instructions as to the details of transfer of this Bond, along with the social security number or federal employer identification number of such transferee. In all cases of a transfer of a Bond, the Registrar shall at the earliest practical time in accordance with the provisions of the Supplemental Trust Agreement enter the transfer of ownership in the registration books and (unless uncertificated registration shall be requested and the Authority has a registration system that will accommodate uncertificated registration) shall deliver in the name of the new transferee or transferees a new fully registered Bond or Bonds of the same series and maturity and of authorized denomination or denominations, for the same aggregate principal amount and payable from the same sources of funds. Neither the Authority nor the Registrar shall be required to register the transfer of any Bond during the twenty-five (25) days next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, after such Bonds or any portion thereof has been selected for redemption. The Authority and the Registrar may charge the owner of such Bond for the registration of every such transfer of a Bond an amount sufficient to reimburse them for any tax, fee or any other governmental charge required (other than by the Authority) to be paid with respect to the registration of such transfer, and may require that such amounts be paid before any such new Bond shall be delivered.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the corporate trust office of the Trustee is located are authorized by law or executive

order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in regular and due form and time as required by the Constitution and laws of the State of Florida applicable thereto and that the issuance of this Bond is in full compliance with all constitutional and statutory limitations, provisions and restrictions.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Trust Agreement and the Supplemental Trust Agreement until the Certificate of Authentication endorsed hereon shall have been signed by the Trustee.

[Signature Page Follows]

IN WITNESS WHEREOF, the Hillsborough County Aviation Authority, a public body corporate created and existing under the laws of the State of Florida, has issued this Bond and has caused the same to be signed by the manual or facsimile signature of its Chairman, and the corporate seal of said Authority, or a facsimile thereof, to be affixed, impressed, imprinted, lithographed or reproduced hereon and attested by the manual or facsimile signature of its Chief Executive Officer and its Executive Vice President of Finance and Procurement, all as of the ____ day of _________, 20__.

HILLSBOROUGH COUNTY
AVIATION AUTHORITY

By:________________________________
Chairman of the Hillsborough County Aviation Authority

(Seal)

Attest:

____
Chief Executive Officer
Hillsborough County Aviation Authority

____
Executive Vice President of Finance and Procurement
Hillsborough County Aviation Authority

CERTIFICATION OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within mentioned Trust Agreement and Supplemental Trust Agreement.

THE BANK OF NEW YORK MELLON, Trustee

By:________________________________
Authorized Signatory

Date of Authentication:___________, 20___

****

FORM OF ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto____
____________________________ (PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER(S) OF TRANSFEREE(S))

____
____ the attached Bond of the HILLSBOROUGH COUNTY AVIATION AUTHORITY and does hereby constitute and appoint _______________ as attorney to register the transfer of the said bond on the books kept for registration and registration of transfer thereof of the within Bond, with full power of substitution in the premises.

Dated: __________

Signature Guaranteed:

_________________________________ __________________________

Registered Owner

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guaranty program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP) or New York Stock Exchange Medallion Signature Program (MSP), a member firm of the New York Stock Exchange or a commercial bank or a trust company.

NOTICE: No transfer will be registered and no new Bond will be issued in the name or names of the Transferee(s), unless the signature(s) to this assignment correspond(s) with the name or names as it/they appear(s) upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Numbers of the Transferee(s) is/are supplied.

(END OF FORM OF BOND)

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APPENDIX D

2024 SUPPLEMENTAL TRUST AGREEMENT

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SUPPLEMENTAL TRUST AGREEMENT

RELATING TO

HILLSBOROUGH COUNTY AVIATION AUTHORITY

$462,975,000
TAMPA INTERNATIONAL AIRPORT
REVENUE BONDS,
2024 SERIES B (AMT)

THE BANK OF NEW YORK MELLON, Trustee

Dated as of August 1, 2024

TABLE OF CONTENTS

THIS SUPPLEMENTAL TRUST AGREEMENT, dated for convenience of reference as of August 1, 2024, between the HILLSBOROUGH COUNTY AVIATION AUTHORITY (the "*Authority*"), and THE BANK OF NEW YORK MELLON, a New York banking corporation, having an office in the City and State of New York, which is authorized under such laws to exercise corporate trust powers, as Trustee under the Trust Agreement hereinafter referred to (together with its successor or successors and any other corporation which may hereafter be substituted in its place as Trustee under the Trust Agreement, the "*Trustee*"),

WITNESSETH:

WHEREAS, the Authority is a body politic and corporate governed by Chapter 2022-252, Laws of Florida (which, together with acts amendatory thereof and supplemental thereto is collectively referred to herein as the "*Act*"), for the purpose of operating airports and aviation facilities including Tampa International Airport, Peter O. Knight Airport, Plant City Airport and Tampa Executive Airport and any additions, extensions and improvements thereto hereafter constructed or acquired (collectively, the "*Airport System*"); and

WHEREAS, the Authority and the Trustee duly executed and entered into that certain Codified and Restated Trust Agreement effective on and after March 9, 2022 (the "*Original Trust Agreement*"), which agreement has been amended and supplemented from time to time by agreements supplemental thereto, including without limitation, this 2024 Supplemental Trust Agreement (the Original Trust Agreement, together with such supplements and the amendments, being collectively referred to herein, as the "*Trust Agreement*"); and

WHEREAS, the Authority deems it advisable to issue, pursuant to Section 2.09 or Section 2.10 of the Trust Agreement, its Tampa International Airport Revenue Bonds, 2024 Series B (AMT) (the "*2024 Bonds*") for the purpose of financing certain airport projects described in Exhibit A hereto, funding capitalized interest and required reserves and paying costs of issuance; and

WHEREAS, the principal of and interest on the 2024 Bonds and all other payments provided for herein will be payable solely from the Revenues derived from the Airport System and other moneys pledged therefor, and the payment thereof will not constitute a general obligation of the Authority, Hillsborough County, Florida, the City of Tampa, Florida or any other political subdivision of the State of Florida within the meaning of any constitutional or statutory debt limitation or provision, nor a lien upon any property of the Authority, said County or City or other political subdivision in said State, and no Registered Owner of any of the 2024 Bonds issued hereunder shall ever have the right to require or compel the exercise of the ad valorem taxing power of the Authority, said County or City or other political subdivision in said State for the payment thereof; and

WHEREAS, the Authority does hereby find and determine that the 2024 Bonds shall be secured by the Trust Agreement, and by this Supplemental Trust Agreement entered into by the Authority and the Trustee; and

WHEREAS, the Authority represents that it has full power and authority to issue the 2024 Bonds and to pledge the Revenues derived from the Airport System and other moneys pledged therefor pursuant to the Act and the Trust Agreement, on a parity with the Outstanding Hillsborough County Aviation Authority Tampa International Airport Revenue Bond, 2017

Series A (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bond, 2018 Series A (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bond, 2018 Series B (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bond, 2018 Series C (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Bonds, 2018 Series E (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Bonds, 2018 Series F (Non-AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bond, 2021 Series A (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Bonds, 2022 Series A (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Bonds, 2022 Series B (Non-AMT) and the Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bonds, 2024 Series A (AMT) (collectively, the "*Outstanding Bonds*"), and any Additional Bonds hereafter issued pursuant to the terms of the Trust Agreement; and the Authority has taken all actions necessary to authorize its proper officers to acknowledge, execute, sign, seal and deliver this Supplemental Trust Agreement and to execute, sign, seal and deliver the 2024 Bonds issued hereunder;

NOW, THEREFORE, this Supplemental Trust Agreement witnesseth, that in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the 2024 Bonds by the Registered Owners thereof, and also for and in consideration of the sum of Ten Dollars ($10.00) to the Authority in hand paid by the Trustee at or before the execution and delivery of this Supplemental Trust Agreement, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the 2024 Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become the Registered Owners thereof, and in order to secure the payment of the 2024 Bonds at any time issued and Outstanding hereunder and the interest thereon according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein and herein contained, in each case subject to the Trust Agreement and on a parity with the Outstanding Bonds, the Authority has pledged and does hereby pledge to the Trustee the Revenues derived from the Airport System of the Authority and other moneys pledged therefor, to the extent provided in the Trust Agreement, as security for the payment of the Bonds issued thereunder, including the 2024 Bonds, and as security for the satisfaction of any other obligation assumed by it in connection with such 2024 Bonds, and it is mutually agreed and covenanted by and between the parties hereto, for the equal and proportionate benefit and security of all present and future Registered Owners of the 2024 Bonds issued and to be issued under this Supplemental Trust Agreement, without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter provided, of any one Bond over any other Bond by reason of priority in the issue, sale or negotiation thereof, or otherwise, as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. As used herein, in addition to the terms defined in the Recitals hereto:

"Authorizing Resolution" means Resolution No. 2024-96 of the governing board of the Authority, adopted on August 1, 2024, pursuant to which the 2024 Bonds were authorized, as more particularly described in Section 2.01(a).

"2024 Bonds" means the Hillsborough County Aviation Authority Tampa International Airport Revenue Bonds, 2024 Series B (AMT), authorized to be issued pursuant to this Supplemental Trust Agreement.

"Chairman" means the Chairperson, Vice Chairperson or any other officer designated by the Authority to execute documents in accordance with the provisions hereof.

"Code" means the Internal Revenue Code of 1986, as amended, or any applicable corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context hereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of the Treasury (including applicable final regulations and temporary regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

"2024 Construction Account" means the special account in the Construction Fund created and established pursuant to Section 2.04 of this Supplemental Trust Agreement with respect to the 2024 Bonds.

"Escrow Obligations" shall mean those obligations authorized to be used in the defeasance of the 2024 Bonds pursuant to Article XII of the Trust Agreement, as expressly permitted pursuant to Section 7.11 of this 2024 Supplemental Trust Agreement.

"Executive Director," for purposes of the Trust Agreement, means and now refers to the Chief Executive Officer of the Authority, or his successor.

"Moody's" means Moody's Investors Service, Inc. or its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority by notice to the Trustee.

"2024 Project" means the financing or refinancing of the capital projects related to the Airport System as more particularly described in Exhibit A, as the same may hereafter be amended by the Authority from time to time.

"Project Costs" or "Costs of the 2024 Project," when used with respect to the 2024 Bonds, means and shall include those costs associated with the 2024 Project as described in Section 4.03 of the Trust Agreement, capitalized interest on the 2024 Bonds, the costs of issuance of the 2024 Bonds, and all other costs and expenses for which proceeds of Bonds may be used and applied pursuant to the provisions of the Act.

"Purchase Contract" means the Contract of Purchase executed by the Authority and the Purchaser, as approved by the Authorizing Resolution and pursuant to which the 2024 Bonds are sold.

"Purchaser" means the original purchaser or purchasers of the 2024 Bonds as designated in the Authorizing Resolution who are parties to the Purchase Contract.

"Qualified Project Costs," when used with respect to the 2024 Bonds, means costs paid or incurred with respect to components of the 2024 Project (a) that (i) are directly related and essential to servicing aircraft, or enabling aircraft to take off and land, or transferring passengers or cargo to or from aircraft, or (ii) are functionally related and subordinate to such operations; (b) that will or may be charged, either with a proper election by the Authority or, but for a proper election by the Authority, to the capital account of the 2024 Project for federal income tax purposes; and (c) that, if originally paid with funds other than proceeds of the 2024 Bonds, were originally paid no earlier than 60 days prior to the adoption of the Reimbursement Resolution (unless such expenditures are described by Section 1.150-2(f) of the Income Tax Regulations).

"Reimbursement Resolution" means Resolution No. 2024-28 of the governing board of the Authority, adopted on March 7, 2024, to evidence the Authority's intent to use proceeds of the 2024 Bonds to reimburse certain expenditures paid prior to the issuance thereof.

"S&P" means the S&P Global Ratings, a Standard & Poor's Financial Services LLC business or its successors and assigns and if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority by notice to the Trustee.

"Senior Director of Finance" for purposes of the Trust Agreement and hereunder, means and shall now refer to the Executive Vice President of Finance, Procurement and Capital Programs or his successor.

"2024 Supplemental Trust Agreement" or "this Supplemental Trust Agreement" means this Supplemental Trust Agreement entered into between the Trustee and the Authority with respect to the issuance of the 2024 Bonds.

All the defined terms contained in Section 1.01 of Article I of the Trust Agreement, except as the same are inconsistent with the definitions contained in this Supplemental Trust Agreement, shall have the same meanings in this Supplemental Trust Agreement.

Words of the masculine gender include correlative words of the feminine and neuter genders.

Unless the context shall otherwise indicate, the words "Bond," "holder," and "person" shall include the plural as well as the singular number, and the word "person" shall include corporations, associations and other legal entities, including public bodies, as well as natural persons.

ARTICLE II
ISSUANCE OF BONDS; USE OF PROCEEDS

Section 2.01 Issuance and Terms of 2024 Bonds. For the purpose of financing the cost of the 2024 Project, there shall be issued under and secured by this Supplemental Trust Agreement and the Trust Agreement, the 2024 Bonds. The 2024 Bonds shall be designated as the "Tampa International Airport Revenue Bonds, 2024 Series B (AMT)," to be issued in the aggregate principal amount of $462,975,000. The 2024 Bonds shall be dated as of the date of issuance thereof, shall be initially issued as fully registered Bonds in denominations of Five Thousand Dollars ($5,000) or any multiple thereof approved by the Authority, and shall bear such identifying numbers and subseries designations as the Authority shall determine, and shall be executed on behalf of the Authority, either manually or by facsimile signature, by the Chairman and the corporate seal of the Authority attested by the Treasurer, Secretary or any Assistant Secretary or any other authorized officer of the Authority.

The 2024 Bonds shall bear interest from their date of issuance and shall mature on October 1 of each year in such years and amounts as are set forth below:

2024 Serial Bonds:

Amount	Maturity (October 1)	Interest Rate
$ 575,000	2027	5.000%
8,295,000	2028	5.000
8,705,000	2029	5.000
9,145,000	2030	5.000
9,605,000	2031	5.000
10,085,000	2032	5.000
10,585,000	2033	5.000
11,115,000	2034	5.000
11,670,000	2035	5.000
12,250,000	2036	5.000
12,865,000	2037	5.000
13,510,000	2038	5.000
14,190,000	2039	5.000
14,895,000	2040	5.250
15,675,000	2041	5.250
16,500,000	2042	5.250
17,360,000	2043	5.250
18,275,000	2044	5.250

$107,355,000 5.500% 2024 Term Bonds due October 1, 2049
$140,320,000 5.500% 2024 Term Bonds due October 1, 2054

The 2024 Bonds shall be subject to optional redemption, and to mandatory redemption from Sinking Fund Installments, all as set forth in Article III below.

The 2024 Bonds shall be substantially in the form set forth in Exhibit B hereto, and shall be executed in the manner hereinabove set forth and deposited with the Trustee for

authentication, but before the 2024 Bonds shall be authenticated and delivered by the Trustee there shall be filed with the Trustee the following:

(a) Certified copies of (i) the Reimbursement Resolution and (ii) the Authorizing Resolution which specifies the interest rate or rates of such Bonds (or delegating to the Chairman or Chief Executive Officer the power to award the sale of the 2024 Bonds and to set the interest rates thereof) and directs the authentication and delivery of such Bonds to or upon the order of the Purchasers therein named (or designated by the Chairman or Chief Executive Officer) upon payment of the purchase price therein set forth.

(b) Certificate or certificates, executed by the Trustee and the Authority, certifying with respect to the funds and accounts held by each, that all payments into the Sinking Fund, the Reserve Fund and the Operation and Maintenance Fund have been made in full, as required by the Trust Agreement and all agreements supplemental thereto, to the date of delivery of the 2024 Bonds and that such Funds and Accounts are then current and there are no deficiencies in the amounts required to be on deposit therein pursuant to the provisions thereof. The Authority shall also certify that all payments into the various other Funds and Accounts herein provided for have been made in full as required by the Trust Agreement to the date of delivery of the 2024 Bonds;

(c) An opinion of counsel for the Authority stating that the signer is of the opinion that the issuance of the 2024 Bonds have been duly authorized and that all conditions precedent to the delivery of such 2024 Bonds have been fulfilled; and that such 2024 Bonds have been duly sold in accordance with all requirements of Florida law; and

(d) Statements of compliance from the Executive Director or Senior Director of Finance of the Authority or the Airport Consultant, as the case may be, pursuant to Sections 2.09(h)(x), 2.09(h)(y) and/or 2.10(B) of the Trust Agreement as required for each applicable Series of the 2024 Bonds.

When the documents mentioned above shall have been filed with the Trustee and when the 2024 Bonds shall have been executed and authenticated as required by this Supplemental Trust Agreement, the Trustee shall deliver the 2024 Bonds to or upon the order of the Purchaser, but only upon payment to the Trustee of the purchase price of the respective 2024 Bonds specified in the Purchase Contract, together with accrued interest thereon. The Trustee shall be entitled to rely upon the Authorizing Resolution and the Purchase Contract as to the name (or names) of the Purchaser, the amount of the purchase price and the principal amount of the 2024 Bonds sold.

Section 2.02 Form of Bonds. The form of 2024 Bonds to be issued and secured hereby, the Trustee's authentication certificates, and the provisions for registration to be endorsed on all of the 2024 Bonds hereunder shall be substantially in the form set forth in Exhibit B hereto, in each case with appropriate revisions, omissions and insertions as otherwise permitted or authorized as herein provided.

Section 2.03 Use of Proceeds and Other Funds.

(a) The proceeds, including premium, if any, of the 2024 Bonds shall be applied currently with the delivery of the 2024 Bonds as follows:

(i) $491,542,715.07 of the proceeds from the 2024 Bonds, shall be transferred to the Authority for deposit into the 2024 Construction Account, which is hereby created and established with the Authority pursuant to Section 2.04 below, and used to pay the Costs of the 2024 Project, including capitalized interest, in accordance with that Section;

(ii) $13,575,210.88 of the proceeds from the 2024 Bonds shall be transferred to the Trustee for deposit in the common Reserve Account in the Reserve Fund and held for the benefit of the Bonds, including the 2024 Bonds, secured thereby; and

(iii) The balance of such proceeds of the 2024 Bonds ($1,477,508.25) shall be transferred to the Authority and used to pay the costs of issuance of the 2024 Bonds.

(b) The 2024 Bonds will be secured by the common Reserve Account in the Reserve Fund under the Trust Agreement (the "*Common Reserve*") on a pro rata basis with all other Bonds issued and Outstanding under the Trust Agreement, other than those Bonds for which a special Reserve Account or a zero (-0-) Reserve Requirement has been established. The Authority has determined the Reserve Requirement under the Trust Agreement for the Common Reserve, taking into account the issuance of the 2024 Bonds, is $90,473,324. The amounts on deposit in the Common Reserve, together with the funds to be deposited therein as contemplated in Clauses (a)(ii) and (b)(ii), constitute the amounts necessary to make the funds held in the Common Reserve equal the Reserve Requirement.

Section 2.04 2024 Construction Account. There is hereby created and established a 2024 Construction Account. For the purposes of this Supplemental Trust Agreement, the provisions of Article IV of the Trust Agreement shall apply to the 2024 Construction Account, except as expressly modified hereby.

Funds on deposit in the 2024 Construction Account shall be held and applied to pay Qualified Project Costs that constitute Costs of the 2024 Project.

Funds in the 2024 Construction Account may be transferred to the subaccount in the Interest Account in the Sinking Fund held for the benefit of the 2024 Bonds at the written direction of the Authority, to pay interest coming due on such 2024 Bonds, provided that such payments qualify as capitalized interest.

All income derived from the investment of moneys in the 2024 Construction Account shall remain in and be a part of such Account and shall be used to pay the Costs of the 2024 Project or used as provided in the preceding paragraph.

Except as otherwise provided herein, all disbursements from the 2024 Construction Account shall be made pursuant to and in accordance with Sections 4.04 through 4.09 of the Trust Agreement; *provided, however*, that all requirements therein to obtain certificates or approvals from the Consulting Engineers shall be deleted and may be ignored. The Authority shall certify, in connection with the requisitions required under Section 4.04 of the Trust Agreement for disbursement from the 2024 Construction Account, that the requested payment shall not result in less than ninety-five (95%) of the net proceeds of the 2024 Bonds being used to pay or refinance Qualified Project Costs. No funds on deposit in the 2024 Construction Account may be used to pay any cost of other Projects without an opinion of Bond Counsel to the effect that such use will not cause interest on the 2024 Bonds not to be excludable from the gross income of the Holders thereof for federal income tax purposes.

When the construction and acquisition of the 2024 Project shall have been completed, which fact shall be evidenced by a certificate, filed with the Authority, stating the date of completion, signed by the Chief Executive Officer or Chairman of the Authority, the balance remaining in the 2024 Construction Account not reserved by the Authority for the payment of any remaining part of the cost of the construction and acquisition of the 2024 Project or for the payment of the Rebate Amount pursuant to Section 6.01 hereof, shall be used (a) for the purchase or prior redemption of 2024 Bonds in the manner provided in the Trust Agreement; or (b) for other capital projects within the Airport System, provided that the Authority shall first deliver to the Trustee an opinion of Bond Counsel that such use will not adversely affect the exclusion of interest on such 2024 Bonds from gross income for federal income tax purposes.

In either case, in making the transfer to the Redemption Account, the Authority shall consider (a) any items of such cost then remaining unpaid and as to any estimate in such certificate of the amount of any items of such cost the actual amount of which is not finally determined, and (b) the status and amount of any disputed claims then outstanding affecting such cost.

Within ninety (90) days of delivering the described certificate regarding the 2024 Bonds and in accordance with Section 1.141-6(a) and 1.148-6(d) of the Income Tax Regulations, the Authority shall make a final allocation of the proceeds of the 2024 Bonds to the expenditures made to complete the 2024 Project. This final allocation must be made by the later of (i) eighteen (18) months after the date on which a particular expenditure was paid, or (ii) eighteen (18) months after the date on which the 2024 Project (or any distinct component thereof) was placed in service. Further, in no event shall this final allocation be made later than sixty (60) days after the fifth anniversary of the date of issuance of the 2024 Bonds (or sixty (60) days after the retirement of the 2024 Bonds, if earlier). The Authority shall create a written record of the final allocation of the proceeds of the 2024 Bonds to the expenditures made to complete the 2024 Project and shall maintain and retain that record for not less than six (6) years after the date of payment in full of the 2024 Bonds or such other period as shall be necessary to comply with the Code.

In complying with the preceding paragraph, the Authority may rely upon instructions from Bond Counsel and/or an opinion of Bond Counsel to assure that the allocation satisfies the requirements of Section 1.141-6(a) and 1.148-6(d) of the Income Tax Regulations and other requirements of the Code.

Section 2.05 Parity Bonds. The 2024 Bonds shall be on a parity and rank equally with the Outstanding Bonds and all other Bonds hereafter issued on a parity therewith pursuant to the provisions of the Trust Agreement and this Supplemental Trust Agreement as to the lien on and source and security for payment from the Revenues (other than Available PFC Revenues) derived from the Airport System and other moneys pledged therefor, and in all other respects except with respect to amounts held in separate reserve accounts in the Reserve Fund created for specific Bonds issued thereunder, and after the issuance of the 2024 Bonds all payments into the Sinking Fund and the separate accounts therein and the Reserve Fund shall be proportionately adjusted as necessary over the amounts otherwise required by the Trust Agreement and all Trust Agreements supplemental thereto, to be deposited therein for any other Bonds then Outstanding, and all of the provisions of the Trust Agreement, except as to details of this Supplemental Trust Agreement inconsistent therewith, shall apply to and be for the benefit and security and protection of the Registered Owner of the 2024 Bonds as fully and to the same extent as for the holders of any other Bonds then Outstanding and secured by the Trust Agreement. The 2024 Bonds shall not be secured by or paid from Available PFC Revenues.

ARTICLE III
PAYMENTS INTO REDEMPTION ACCOUNT FOR 2024 BONDS

Section 3.01 Sinking Fund Installments for the 2024 Bonds. The Authority shall cause to be deposited into the Redemption Account pursuant to Section 5.02(E) of the Trust Agreement those amounts necessary to cause the redemption of the 2024 Bonds on the respective dates and in the amounts described in Section 4.03 below and such amounts shall be designated as the Sinking Fund Installments for the 2024 Bonds.

ARTICLE IV
TERMS OF REDEMPTION; RELEASE OF LIEN

Section 4.01 Optional Redemption for 2024 Bonds. The 2024 Bonds maturing on or after October 1, 2035 may be redeemed prior to their maturity, at the option of the Authority, from time to time, in whole or in part on any date on or after October 1, 2034, in such amounts and in such order of maturity or Sinking Fund Installments as the Authority may determine and set forth in its notice of redemption to the Trustee, and by lot or as the Authority may designate, within a maturity or Sinking Fund Installment if less than all, at the redemption price of one-hundred percent (100%) of the principal amount of the 2024 Bonds to be redeemed, plus accrued interest to the redemption date.

Section 4.02 Mandatory Redemption of 2024 Bonds. The 2024 Bonds maturing on October 1, 2049 are subject to mandatory redemption on the dates set forth below at the redemption price of par plus accrued interest and without premium (each such redemption to be treated as a Sinking Fund Installment for such 2024 Bonds referred to below):

2024 Term Bonds due October 1, 2049

Amount to be Redeemed	Redemption Date (October 1)
$19,235,000	2045
20,295,000	2046
21,410,000	2047
22,585,000	2048
23,830,000	2049*

*Final Maturity

The 2024 Bonds maturing on October 1, 2054 are subject to mandatory redemption on the dates set forth below at the redemption price of par plus accrued interest and without premium (each such redemption to be treated as a Sinking Fund Installment for such 2024 Bonds referred to below):

2024 Term Bonds due October 1, 2054

Amount to be Redeemed	Redemption Date (October 1)
$25,140,000	2050
26,525,000	2051
27,980,000	2052
29,525,000	2053
31,150,000	2054*

*Final Maturity

Section 4.03 Serial Bond Treatment. Each respective Sinking Fund Installment of the 2024 Bonds shown above under the column "Amount to be Redeemed" shall be treated as principal payments on Serial Bonds for purposes of Section 5.02(C) of the Trust Agreement.

Section 4.04 Provisions of Trust Agreement Applicable; Supplemental Redemption Provisions.

(a) The 2024 Bonds to be redeemed pursuant to the foregoing shall be subject to the provisions for redemption set forth in Article III of the Trust Agreement and in the form of the 2024 Bonds contained in this Supplemental Trust Agreement, except that (i) no publication of notice shall be required, (ii) notice will be electronically delivered or mailed by regular mail, postage prepaid or delivered by such other means as the Authority, with reasonable notice, may direct in accordance with the then prevailing custom and practice, and (iii) each notice of redemption shall be sent to the registered owners of the 2024 Bonds at their respective addresses as they appear on the registration books, at least twenty (20) days prior to the redemption date in the manner provided herein and in the Trust Agreement. Failure to deliver the foregoing notice to such registered owners, or any defect therein, shall not affect the validity of the proceedings for redemption of 2024 Bonds with respect to which no such failure or defect occurred. Any notice delivered in accordance with the foregoing requirements shall be conclusively presumed to have been duly given whether or not the registered owners, or any of them, actually receive such notice.

(b) In addition to the requirements of Article III of the Trust Agreement, each notice of redemption and payment of the redemption price shall meet the requirements set forth below; provided, however, that, notwithstanding any other provision of the Trust Agreement to the contrary, failure of such notice or payment to comply with the terms of this Section 4.05(b) shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as otherwise prescribed in Section 4.05(a) above.

Each notice of redemption given hereunder shall contain the date fixed for redemption, the redemption price to be paid and, if less than all of the 2024 Bonds Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such 2024 Bonds to be redeemed and, in the case of 2024 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. Each notice of redemption shall also contain (a) the CUSIP numbers of all 2024 Bonds being redeemed, if CUSIP numbers are then in general use; (b) the date of issue of the 2024 Bonds as originally issued; (c) the rate of interest borne by the 2024 Bonds being redeemed; (d) the maturity date of the 2024 Bonds being redeemed; (e) the publication date, if any, of the official notice of redemption; (f) the name and address of the Bond Registrar; and (g) any other descriptive information needed to identify accurately the 2024 Bonds being redeemed.

Section 4.05 Revocation of Redemption Notice. Notwithstanding any other provision of the Trust Agreement, the Authority reserves the right (i) to condition any optional notice of redemption upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and (ii) to revoke any notice of optional redemption at any time prior to the redemption date for any reason. Written notice of the failure of such conditions or any other revocation of an optional notice of redemption shall be given in writing by the Authority to the Trustee on any day prior to the date fixed for redemption of the 2024 Bonds or any Series or maturity thereof, following which such 2024 Bonds shall not be redeemed on the optional redemption date and such optional notice of redemption shall be null and void with respect to such 2024 Bonds. In such event, promptly following the date on which the Trustee receives notice of such revocation or that the conditions for redemption have not been satisfied, the Trustee shall cause a notice of such revocation or failure to satisfy the conditions for redemption to be delivered to all Registered Owners of such 2024 Bonds pursuant to Section 4.05 hereof.

Section 4.06 Release of Lien of Trust Agreement. If a 2024 Bond is required to be presented for payment and shall not be presented for payment when principal thereof becomes due, either upon its maturity or on the date fixed for redemption or otherwise, if funds sufficient to pay such 2024 Bond shall have been deposited with the Trustee for the benefit of the holder thereof, all liability of the Authority to the holder thereof for the payment of such 2024 Bond

shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, for the benefit of the holder of such 2024 Bond for such period as shall be prescribed by law, but (to the extent permitted by law) in no event less than one (1) year (the "Holding Period"), who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Supplemental Trust Agreement or the Trust Agreement on, or with respect to, said 2024 Bond. All moneys which the Trustee shall have withdrawn from the Sinking Fund or shall have received from any other source and set aside for the purpose of paying any of the 2024 Bonds hereby secured, either at the maturity thereof or upon call for redemption, shall be held in trust for the registered owners of such 2024 Bond or Bonds. Any moneys which shall be so set aside or deposited by the Trustee and which shall remain unclaimed by the owners of such 2024 Bonds after expiration of the Holding Period shall upon request in writing be paid to the Authority in accordance with the provisions of Section 5.07 of the Trust Agreement, and thereafter the owners of such 2024 Bonds shall look only to the Authority for payment and then only to the extent of the amount so received without any interest thereon, and the Trustee shall have no responsibility with respect to such moneys.

ARTICLE V
TRUST AGREEMENT APPLICABLE TO 2024 BONDS; CONSENTS TO CONCEPTUAL AMENDMENTS TO TRUST AGREEMENT

Section 5.01 Trust Agreement Incorporated into this Supplemental Trust Agreement; Approval of Certain Amendments Thereto. The Trust Agreement shall be for the benefit and security of the Registered Owners of the 2024 Bonds authorized herein and all of the provisions of the Trust Agreement, except to the extent the same are inconsistent with the provisions of this Supplemental Trust Agreement, are hereby made a part of this Supplemental Trust Agreement as fully and to the same extent as if such provisions were incorporated verbatim herein. The Purchaser and the subsequent holders of the 2024 Bonds, by acceptance of such Bonds, shall be deemed to have consented to and approved (i) the Trust Agreement effective as of March 9, 2022, including the amendments thereto for which its consent is required to become effective as footnoted therein, and (ii) to the conceptual amendments set forth in Section 11.05 of the Trust Agreement and definitive provisions contained in subsequent Supplemental Trust Agreements reflecting such conceptual amendments.

Section 5.02 [Reserved].

Section 5.03 Consents to Amendments to Trust Agreement Requiring Majority Consent. Pursuant to Section 11.02 of the Trust Agreement, upon consent of the holders of a majority in aggregate principal amount of the Bonds Outstanding under the Trust Agreement, the following amendments to the Trust Agreement shall be effective. By acceptance of the 2024 Bonds each Bondholder is deemed to have consented to the following amendments:

(a) The definitions below in Section 1.01 of the Trust Agreement are amended and restated in their entirety to read as follows (with underlining to reflect inserts and ~~strikethroughs~~ to reflect deletions):

"Bond Service Requirement" means for a given Bond Year the remainder after subtracting any accrued and capitalized interest for that year that has been deposited into

the Interest Account in the Sinking Fund or separate subaccounts in the Construction Fund for that purpose, from the sum of:

(1) The amount required to pay the interest coming due on Bonds during that Bond Year;

(2) The amount required to pay the principal of Serial Bonds in that Bond Year, and the principal of Term Bonds maturing in that Bond Year that are not included in the Sinking Fund Installments for such Term Bonds;

(3) The Sinking Fund Installments for all series of Term Bonds for that Bond Year; and

(4) The premium, if any, payable on all Bonds required to be redeemed in that Bond Year in satisfaction of the Sinking Fund Installment.

If Variable Rate Bonds or lines of credit are then Outstanding, the interest rate on such Bonds or lines of credit for purpose of determining the Bond Service Requirement shall be calculated pursuant to the provisions included in the definition of Debt Service Requirement herein.

For purposes of calculating the Bond Service Requirement with respect to Designated Maturity Bonds, the unamortized principal coming due on any date that exceeds twenty-five percent (25%) of the original principal amount of such Designated Maturity Bonds and which the Authority reasonably anticipates it will refinance on maturity, as reflected in the Annual Budget and/or a certificate of the Chief Financial Officer, shall not be included, and in lieu thereof there shall be included in the Bond Service Requirement for the Bond Year in which such amount becomes due and in each subsequent Bond Year during a period not to exceed thirty (30) years from the original issue date of such Designated Maturity Bonds, only the principal amount thereof the Authority certifies that it reasonably anticipates to become due in each such Bond Year, taking into account any such anticipated refinancing of such Designated Maturity Bonds.

"Debt Service Requirement" for any period shall mean, as of any date of calculation and with respect to any Series, an unpaid amount equal to the sum of (i) interest accruing during such period on Bonds of such Series, except to the extent that such interest is to be paid from deposits into the Interest Account in the Sinking Fund made from the proceeds of Bonds (including amounts, if any, transferred thereto from the Construction Fund) and (ii) that portion of each Principal Installment for such Series coming due on the next respective Principal Installment due date within each applicable Fiscal Year (including for this purpose the first day of the following Fiscal Year and excluding the first day of the current Fiscal Year) that would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date to the next succeeding Principal Installment due date. If there shall be no such preceding Principal Installment due date, then principal shall be deemed to accrue daily from a date one year preceding the next succeeding due date of such Principal Installment, or from the date of issuance of the Bonds of such Series, whichever date is later.

The calculation of the Debt Service Requirement hereunder shall be subject to the following rules:

(1) Interest and Principal Installments for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof.

(2) Tender option features of any Option Bond shall be ignored for purposes of this calculation.

(3) If the calculation of the Reserve Requirement for any separate account in the Reserve Fund created for a specific Series of Bonds takes into account the Debt Service Requirement, then, for purposes of such calculation, the Debt Service Requirement shall be calculated only with respect to the Bonds of the Series secured thereby.

(4) With respect to Bonds which are Variable Rate Bonds:

(A) the interest rate on such Bonds for any period prior to the date of calculation shall be the actual interest borne by such Bonds from the last Interest Payment Date through the date of calculation; and

(B) for any forward looking period after the date of calculation, (1) if the interest on such Variable Rate Bonds was intended at the time of issuance to be excluded from the gross income of the holders thereof for federal tax purposes, the interest rate on such Bonds shall be assumed to be the average of the SIFMA Municipal Swap Index for the twelve full months preceding the date of calculation, plus 0.25% per annum, or (2) if the interest on such Variable Rate Bonds is expected at the time of issuance to be included in the gross income of the holders thereof for federal tax purposes, the interest rate on such Bonds shall be assumed to be the ~~LIBOR Swap Rate~~Term SOFR Rate on the date of calculation, plus 0.25% per annum.

(5) If the Authority has entered into a Qualified Hedge Agreement with respect to Derivative Bonds, the interest on such Bonds (but only during the related Derivative Period) shall be calculated by adding (x) the amount of interest payable by the Authority on such Derivative Bonds pursuant to its terms (applying, as appropriate, the assumptions for Variable Rate Bonds set forth above) and (y) the Qualified Hedge Payments payable by the Authority under the related Qualified Hedge Agreement(s), based on a notional amount equal to the principal amount of the Derivative Bonds and the interest rate assumptions stated therein (applying, as appropriate, the assumptions for Variable Rate Bonds set forth above to any variable rate payable by the Authority under such Qualified Hedge Agreement(s), whether or not such variable rate is the SIFMA Municipal Swap Index or ~~LIBOR Index~~the Term SOFR Rate), and subtracting (z) the Qualified Hedge Receipts payable by the counterparty(ies) under the related Qualified Hedge Agreement(s), using the same notional amount and the interest rate assumptions stated therein (applying, as appropriate, the assumptions for Variable Rate Bonds set forth above to any variable rate to be made by such counterparty(ies) under the related

Qualified Hedge Agreement(s), whether or not such variable rate is the SIFMA Municipal Swap Index or ~~LIBOR swap rate~~the Term SOFR Rate); provided, however, that (A) Derivative Non-Scheduled Payments and Derivative Non-Scheduled Receipts due or that may become due under any Qualified Hedge Agreement(s) shall not be taken into account and (B) from and after the expiration or termination of a Qualified Hedge Agreement relating to Derivative Bonds, the amount of interest payable on such Derivative Bonds shall be the interest calculated pursuant to the terms of such Derivative Bonds as if such Qualified Hedge Agreement had not been executed.

(6) Payments arising from mandatory redemption (other than from Sinking Fund Installments) shall be ignored.

(7) For purposes of calculating the Debt Service Requirement with respect to Designated Maturity Bonds, the unamortized principal coming due on any date that exceeds twenty-five percent (25%) of the original principal amount of such Designated Maturity Bonds and which the Authority reasonably anticipates it will refinance on or before the maturity thereof, as reflected in the Annual Budget and/or a certificate of the Chief Financial Officer, shall not be included, and in lieu thereof there shall be included in the Bond Service Requirement for the Bond Year in which such amount becomes due and in each subsequent Bond Year during a period not to exceed thirty (30) years from the original issue date of such Designated Maturity Bonds, only the principal amount thereof the Authority certifies that it reasonably anticipates to become due in each such Bond Year, taking into account any such anticipated refinancing of such Designated Maturity Bonds.

(8) Lines of credit (whether or not revolving), issued as Additional Bonds under the provisions of this Trust Agreement may be deemed to be fully drawn on the date of issuance and amortized in accordance with such agreements or if no amortization schedule is provided under any such agreement or if a line of credit would qualify as Designated Maturity Bonds, then it shall be amortized in accordance with the assumptions set forth in subsection (7) above. If a line of credit is deemed to be fully drawn on the date of issuance and satisfies the requirements for the issuance of such Bonds hereunder, amounts thereunder may be advanced thereunder without any further limitations herein for the incurrence of additional Bonds; provided, however, a line of credit may at the discretion of the Authority be deemed issued only to the extent of each advance and such advance shall be subject to the satisfaction of the conditions herein for the incurrence of additional Bonds. The assumptions of whether fully drawn or partially drawn for advances under a line of credit may be modified upon satisfaction of the applicable conditions precedent for the incurrence of additional Bonds and evidenced by a certificate of the Authority evidencing the change in such assumptions.

"Reserve Fund Credit Enhancement" means an irrevocable letter of credit, insurance policy, surety bond or other credit enhancement issued to satisfy, in whole or in part, the Authority's deposit requirements under Section 5.02(D) of this Trust Agreement with respect to the Reserve Fund, approved by each applicable Bond Insurer, and issued by a financial institution acceptable to the Bond Insurer, whose claims paying ability is rated at least "A~~A~~" or "A~~a~~" by S&P or Moody's, respectively.

(b) The definition below is hereby inserted in Section 1.01 of the Trust Agreement:

"Designated Maturity Bonds" means all of the Bonds of a Series so designated by the Authority by a Supplemental Trust Agreement or certificate executed in connection with the issuance thereof, more than twenty-five percent (25%) of the original principal amount of which matures in a single Bond Year and for which no mandatory debt service redemption requirements have been established therefor.

(c) Section 5.02(D) of the Trust Agreement is amended and restated in its entirety to read as follows (with underlining to reflect inserts and ~~strikethroughs~~ to reflect deletions):

(D) *Reserve Fund*. Such moneys shall next be used for deposits into the Reserve Fund, after making the deposits provided for in subsections (A), (B) and (C), inclusive, above, and the Trustee shall deposit in said Reserve Fund, and pro rata into each separate Reserve Account created therein pursuant to Supplemental Trust Agreements entered into with respect to each Series of Additional Bonds issued hereunder, on the first day of each month, an amount which, together with funds currently deposited in the Reserve Fund and each such Reserve Account, will be sufficient to make the funds on deposit therein equal to the aggregate Reserve Requirement; provided, however, that no further deposits shall be required to be made into said Reserve Fund or into any separate Reserve Account therein whenever and as long as the amount then on deposit therein is equal to the Reserve Requirement for each respective Series of Bonds then Outstanding.

The moneys in the Reserve Fund shall be used only for the payment of the interest on all Bonds, including both Serial Bonds and Term Bonds, the principal of Serial Bonds and the required deposits into the Redemption Account for Term Bonds as the same mature or become due, whenever the moneys in the Interest Account, Principal Account and Redemption Account are insufficient therefor. If separate accounts in the Reserve Fund have been established for Additional Bonds, deficiencies in the Interest Account, Principal Account and Redemption Account with respect to such Additional Bonds shall be payable solely from the funds deposited in each respective special Reserve Account created with respect to such Additional Bonds, or from the respective Reserve Fund Credit Enhancement acquired with respect thereto, and not from other funds deposited in the Reserve Fund. Funds on deposit in the Reserve Fund in excess of the Reserve Requirement (taking into account the several Reserve Requirements for each Series of Bonds Outstanding hereunder) may be withdrawn at the Authority's request and deposited (i) into the Sinking Fund to pay principal, interest or redemption premium on Bonds next coming due, (ii) into the Redemption Account for redemption of Bonds from which such surplus funds were derived, (iii) into escrow deposit trust funds for Bonds secured thereby that have been defeased or called for redemption, or (iv) into the Revenue Fund provided that the Authority first receives an opinion from bond counsel that the use of such funds will not adversely affect the excludability from gross income for federal income tax purposes of interest on any Series of Bonds then Outstanding under the terms of this Trust Agreement (other than any Series of Bonds issued with the intent that interest thereon be includable in gross income for federal income tax purposes). All deficiencies in said Reserve Fund shall be restored from the first Revenues and other moneys pledged herein which are available after making all prior required deposits into the Operation and Maintenance Fund, the Interest Account, the Principal Account and the Redemption Account.

Upon the issuance of a series of Additional Bonds, or at any time in replacement of moneys then on deposit in the Reserve Fund, in lieu of making a cash deposit to the Reserve Fund, or in substitution therefor, the Authority may deliver to the Trustee a Reserve Fund Credit Enhancement in an amount which, together with moneys, securities or other Reserve Fund Credit Enhancements on deposit in or credited to the Reserve Fund and any special Reserve Account created with respect to Additional Bonds, equals or exceeds the largest amount of principal, interest and required deposits into the Redemption Account with respect to the Bonds which will mature or become due in any succeeding year on the following terms and conditions:

(1) All such Reserve Fund Credit Enhancements (i) will name the Trustee as beneficiary or insured, (ii) will have a term of not less than the maturity of such Additional Bonds for which such Reserve Fund Credit Enhancement was issued, or if issued to replace cash proceeds then existing in the Reserve Fund, the final maturity of the last maturing Bond then Outstanding secured by such cash proceeds (provided, however, that the provisions of this clause (ii) will not apply if such Reserve Fund Credit Enhancement is a Letter of Credit which, by its terms may be drawn upon at least fifteen (15) days prior to the stated expiration date thereof if a substitute Letter of Credit, or an extension thereof, with a new term of not less than one year has not theretofore been obtained and credited to the Reserve Fund) and (iii) will provide by its terms that it may be drawn upon to make up any deficiencies in the Principal Account, Interest Account or Redemption Account on the due date of any interest or principal payment or mandatory sinking fund redemption with respect to such Additional Bonds with respect to which such Reserve Fund Credit Enhancement was issued, or if issued to replace cash proceeds then existing in the Reserve Fund, any interest or principal payment or mandatory sinking fund redemption with respect to any Bonds Outstanding.

(2) Any excess funds on deposit in the Reserve Fund after a Reserve Fund Credit Enhancement has been provided shall be deposited into the Principal Account, Interest Account and/or Redemption Account and used to pay debt service on or redeem Bonds from which such funds were derived or for any other purpose provided that the Authority shall have first received an opinion from Bond Counsel that the use of such proceeds will not adversely affect the exclusion from gross income of interest on such Bonds.

(3) The obligation to reimburse the issuer of Reserve Fund Credit Enhancement for any fees, expenses, claims or draws thereon shall be subordinate to the payment of debt service on the Bonds and replenishment of the Reserve Fund. Such issuer's right to reimbursement for claims or draws shall be on a parity with the cash replenishment of the Reserve Fund provided that the Reserve Fund Credit Enhancement shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of such issuer to reimbursement will be further subordinated to cash replenishment of the Reserve Fund to an amount equal to the difference between the full original amount available under the Reserve Fund Credit

Enhancement and the amount then available for further draws or claims. If (a) the issuer of the Reserve Fund Credit Enhancement becomes insolvent or (b) the issuer of the Reserve Fund Credit Enhancement defaults in its payment obligations thereunder or (c) the claims-paying ability of the issuer of the Reserve Fund Credit Enhancement falls below a S&P "A~~AA~~" or a Moody's "A~~aa~~," the obligation to reimburse the issuer of the Reserve Fund Credit Enhancement shall be subordinate to the cash replenishment of the Reserve Fund.

(4) If the Authority chooses to provide or substitute Reserve Fund Credit Enhancement in lieu of a cash-funded Reserve Fund, any amounts owed by the Authority to the issuer of such Reserve Fund Credit Enhancement as a result of a draw thereon or a claim thereunder, as appropriate, shall be included in determining amounts required to be deposited to the credit of the Reserve Fund and in any other calculation of debt service requirements required to be made pursuant to this Trust Agreement for any purpose, e.g., Rate Covenant or Additional Bonds test.

(d) Section 7.06 of the Trust Agreement is amended and restated in its entirety to read as follows:

Section 7.06 Insurance.

The Authority hereby agrees to maintain insurance coverage for the properties or facilities of the Airport System continuously until such time as all Bonds secured hereby, along with accrued interest, are fully discharged or adequate provision for such discharge has been made. This insurance coverage shall be obtained from reputable insurance companies capable of assuming such risks and shall protect against all risk of direct physical loss or damage to Insured Property from a covered loss subject to standard policy exclusions inclusive of customary self-insurance deductibles and allowances, with exceptions as commonly required by insurers for structures or facilities of similar nature. The specific terms, procedures, and coverage amounts shall be made in consultation with the Airport Consultant.

All insurance policies procured under this section shall be designated for the benefit of the Authority. Any proceeds derived from such policies shall be collected and directed to the Authority, to be utilized in accordance with the provisions of this Trust Agreement. These proceeds shall be segregated and held by the Authority until disbursed in accordance with the Trust Agreement.

Following any incident resulting in damage to or destruction of the Airport System, the Authority shall promptly commission the preparation of plans and specifications for the repair, replacement, or reconstruction of the affected property, along with an estimation of associated costs.

The proceeds from such insurance coverage shall be earmarked and applied toward the repair, replacement, or reconstruction of the damaged or destroyed property. These funds shall be managed by the Authority and disbursed in a manner consistent with disbursements from the Construction Fund. Any surplus shall be allocated first to the to cure any deficiencies in the common Reserve Fund, with any remaining surplus being (i) deposited into one or more subaccounts in the Redemption Account for the redemption of Bonds as directed by the Authority in consultation with Bond Counsel, or (ii) applied for such alternate uses upon receipt of an opinion of Bond Counsel to the effect that such use will not, in and of itself, cause interest on any of the Bonds outstanding to be includable in the income of the holders thereof for federal income tax purposes. In the event of an insufficiency of proceeds, the Authority shall supplement the deficit from legally available funds.

The Authority further agrees that, if the estimated cost of repair, replacement, or reconstruction, as determined by the Airport Consultants, does not exceed the available insurance proceeds and other designated funds, it shall expeditiously commence and diligently pursue the necessary actions according to the prescribed plans and specifications. However, should the Authority deem it imprudent to proceed with such actions, it shall be absolved from such obligation, and any insurance proceeds otherwise allocated for such purposes instead shall be used for the redemption of Bonds or for such other purposes as permitted under the preceding paragraph.

If the Airport System, or any portion thereof, sustains destruction, damage, or be become subject to eminent domain proceedings, and the resultant insurance or eminent domain compensation proves insufficient for restoration or replacement, the Authority may supplement the deficiency from any legally accessible funds.

(e) Section 7.13 of the Trust Agreement is amended and restated in its entirety to read as follows (with underlining to reflect inserts and ~~strikethroughs~~ to reflect deletions):

Section 7.13 Accounting and Audit Requirements.

The Authority covenants that it or the Trustee will keep an accurate record of the Revenues derived from said Airport System, and other moneys pledged herein, and of the application of such Revenues or other moneys pledged herein.

The Authority further covenants that within 180 days after the close of each Fiscal Year, or as soon thereafter as practicable, it will cause an audit to be made of its books and accounts relating to said Airport System during the preceding Fiscal Year by an independent and recognized certified public accountant not in the regular employ of the Authority. Promptly following the receipts of the auditor's report, the Authority shall file a copy thereof to the Authority's Records Information Center ~~with the Secretary of the Authority~~ and the Trustee and copies of such reports shall be posted by the Authority on EMMA. Each audit in respect of the preceding Fiscal Year shall be based on the Government Auditing Standards issued by the Comptroller General of the United States and presented in accordance with the Governmental Accounting Standards Board (GASB), as the same may be amended from time to time.

~~The Authority further covenants that it will cause any additional reports or audits relating to said Airport System to be made as required by law and that, as often as may be requested, it will furnish to the Trustee and the holders of any Bonds issued hereunder such other information concerning said Airport System as any of them may reasonably request.~~

Section 5.04 Consents to Future Amendments to Trust Agreement Requiring Unanimous Consent. In addition the foregoing, the holders of the 2024 Bonds, by acceptance of such Bonds, shall be deemed to have consented to and approved the following amendments which will not become effective until the holders of all Bonds Outstanding have consented to and approved this amendment:

"Reserve Requirement" shall mean:

(a) with respect to Bonds to be secured by the common Reserve Account in the Reserve Fund, an amount equal to the least of (i) the Maximum Annual Principal and Interest Requirement, calculated with respect to all Series of Bonds Outstanding hereunder that are secured by the common Reserve Account, (ii) 125% of the average Annual Principal and Interest Requirement, calculated with respect to all Series of Bonds Outstanding hereunder that are secured by the common Reserve Account, or (iii) 10% of the aggregate of the stated original principal amount on the date of issue of each Series of Bonds Outstanding hereunder that is secured by the common Reserve Account; provided, however, that in determining the stated original principal amount of a Series of Bonds for the purposes of this clause (iii), the issue price (as defined by the Code) of that Series of Bonds (net of pre-issuance accrued interest) shall be substituted for the original stated principal amount of that Series of Bonds if such Series of Bonds was sold at either an original issue discount or premium exceeding two percent (2%) of the stated principal amount at maturity; and

(b) with respect to each Series of Bonds for which a separate Reserve Account is established pursuant to the terms hereof other than the common Reserve Account, the aggregate amount, if any, required to be deposited in such separate Reserve Account, as specified in the respective Supplemental Trust Agreement entered into in connection with the issuance of such Additional Bonds hereunder. If, pursuant to any such Supplemental Trust Agreement, the Authority is authorized to fund the initial designated amount, or deficiencies therein, over time, the Reserve Requirement for any period shall include only the incremental portion of the deposit requirement for that series of Additional Bonds as specified in the Supplemental Trust Agreement authorizing the issuance of such Additional Bonds. If the Reserve Requirement for any separate account in the Reserve Fund other than the common Reserve Account takes into account the Annual Principal and Interest Requirement, that Reserve Requirement shall be calculated only with respect to the Bonds of the Series secured by that separate account.

The calculation of the Reserve Requirement as to Bonds secured by the common Reserve Account shall be subject to the following rules:

(1) The term "Annual Interest and Principal Requirement" for a given Bond Year shall mean the sum of:

(i) The amount required to pay the interest coming due on Bonds during that Bond Year;

(ii) The amount required to pay the principal of Serial Bonds in that Bond Year, and the principal of Term Bonds maturing in that Bond Year that are not included in the Sinking Fund Installments for such Term Bonds; and

(iii) The Sinking Fund Installments for all series of Term Bonds for that Bond Year.

(2) The term "Maximum Annual Interest and Principal Requirement" shall mean, as of any particular date of calculation, the largest Annual Interest and Principal Requirement for any remaining Bond Year, except that with respect to any Bonds for which Sinking Fund Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Sinking Fund Installments to be made in prior Bond Years.

(3) If Variable Rate Bonds are then Outstanding, the interest rate on such Bonds for purpose of determining the Annual Interest and Principal Requirement shall be calculated pursuant to the provisions included in the definition of Debt Service Requirement herein.

ARTICLE VI
ADDITIONAL COVENANTS

Section 6.01 Covenants Concerning Compliance with Tax Laws. (a) In addition to any other requirements contained in the Trust Agreement, as supplemented and amended, the Authority hereby covenants and agrees, for the benefit of the holders from time to time of the 2024 Bonds, to comply with the requirements contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code, and any other requirements which, in Bond Counsel's opinion, are necessary to preserve the exclusion of interest on the 2024 Bonds from the gross income of the holders thereof for federal income tax purposes throughout the term of the issue. Specifically, without intending to limit in any way the generality of the foregoing, the Authority covenants and agrees:

(i) to be responsible for making or causing to be made all determinations and calculations necessary to make payment of the amounts required to be paid to the United States pursuant to Section 148(f) of the Code (the "Rebate Amount");

(ii) to set aside sufficient moneys from the funds and sources of revenues pledged to the payment of the 2024 Bonds, or from any other legally available funds, to permit a timely payment of the Rebate Amount to the United States of America;

(iii) to pay the Rebate Amount at the times and to the extent required pursuant to Section 148(f) of the Code;

(iv) to maintain and retain all records pertaining to the Rebate Amount as to the 2024 Bonds, and required payments of the Rebate Amount as to the 2024 Bonds, for not less than six (6) years after the date of payment in full of the 2024 Bonds, or such other period as shall be necessary to comply with the Code;

(v) to refrain from taking any action that would cause the 2024 Bonds to become an arbitrage bond under Section 148 of the Code; and

(vi) to refrain from taking any action that would cause the 2024 Bonds not to be classified as "qualified bonds" under Section 141(e) of the Code.

(b) The Authority understands that the foregoing covenants impose continuing obligations on it that will exist as long as the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are applicable to the 2024 Bonds; provided, however, the Authority shall not be required to comply with any requirement relating to the computation and payment of the Rebate Amount in the event the Authority receives an opinion of Bond Counsel that compliance with such requirement is not required to maintain the exclusion from gross income for federal income tax purposes of interest on the 2024 Bonds, or in the event the Authority receives an opinion of Bond Counsel that compliance with some other requirement in lieu of such requirement will meet the requirements of Section 148 of the Code, in which case compliance with such other requirement specified in the Bond Counsel's opinion shall constitute compliance with such requirement.

In addition, the Authority hereby covenants for the benefit and security of the holders of the 2024 Bonds as follows:

(i) The weighted average maturity of the 2024 Bonds will not exceed 120 percent of the weighted average reasonably expected economic life of the assets comprising the 2024 Project, as determined under Section 147(b) of the Code;

(ii) The costs of issuance of the 2024 Bonds, within the meaning of Section 147(g) of the Code, paid with proceeds of the 2024 Bonds shall not exceed two percent (2%) of the proceeds of the 2024 Bonds.

(iii) None of the proceeds of the 2024 Bonds will be used, directly or indirectly, to make or finance loans to two or more ultimate borrowers (including governmental borrowers).

(iv) The Authority shall complete and file Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues with respect to the 2024 Bonds, within the time period required by Section 149(e) of the Code and take any other steps necessary to comply with the information reporting requirement imposed by that section of the Code.

(c) The Authority, for the benefit and security of the holders of the 2024 Bonds, hereby represents and warrants as follows:

(i) Less than twenty-five percent (25%) of the net proceeds of the 2024 Bonds (as "net proceeds" is defined in Section 150(a)(3) of the Code) will be used (either directly or indirectly) to finance or refinance the acquisition of land or any interest therein, excluding any land acquired for noise abatement, wetland preservation, or for future use as an airport, mass commuting facility, dock, wharf, or a high-speed intercity rail facility, if there is no other significant use of such land within the meaning of Section 147(c)(3)(B) of the Code.

(ii) None of the proceeds of the 2024 Bonds will be used to finance or refinance the acquisition of any airplane, any skybox or other private luxury box, any health club facility, any facility primarily used for gambling, any store the principal business of which is the sale of alcoholic beverages for consumption off premises, or land (or any interest therein) to be used for farming purposes.

(iii) None of the net proceeds of the 2024 Bonds will be used to finance or refinance the acquisition of any property or an interest therein (other than land) if the first use of such property was not pursuant to such acquisition, unless the rehabilitation exception of Section 147(d)(2) of the Code is met with respect to such property.

(iv) All of the property to be financed or refinanced with the proceeds from the issuance of the 2024 Bonds is or will be owned by the Authority.

(v) At least ninety-five (95%) of the net proceeds of the 2024 Bonds will be expended for and used to pay or refinance Qualified Project Costs of the 2024 Project.

(vi) Each component of the 2024 Project that is directly related and essential to servicing aircraft, or enabling aircraft to take off and land, or transferring passengers or cargo to and from aircraft, is or will be located at, or in close proximity to, the take-off and landing areas and is required to be located in such areas in order to perform its function.

(vii) Each component of the 2024 Bonds that is functionally related and subordinate to the core activities of the Airport System described in subparagraph 6.01(f) immediately above is or will be of a character and size commensurate with the character and size of the Airport System.

(viii) Not more than five percent (5%) of the proceeds of the 2024 Bonds will be collectively used to (*a*) pay costs of issuing such 2024 Bonds, (*b*) finance property described in Section 142(c)(2) of the Code (related to lodging facilities, retail facilities in excess of the size necessary to serve passengers and employees at the Airport, retail facilities located outside of the Airport terminal building, manufacturing or industrial park facilities, or separate office buildings used other than by governmental units), (*c*) finance any office space that is (1) not located on the premises of the component of the 2024 Project of which such office space is a part, or (2) at which more than a *de minimis* amount of the functions performed are not directly related to the day-to-day operations of such component of the 2024 Project, or (*d*) finance costs (other than costs of properties of the types described in (*b*) or (*c*)) that are not Qualified Project Costs.

(ix) Any lease of all or any portion of the 2024 Project will be a "true lease" for federal income tax purposes and not a conditional sales contract or financing device. Any such lease shall comply with the requirements of

Section 142(b)(1)(B) of the Code and, therefore, each lessee will be prohibited from claiming depreciation and investment tax credits with respect to any portion of the 2024 Project; the term of any such lease shall be limited in duration to eighty percent (80%) of the reasonably expected weighted average economic useful life of the facilities included in the 2024 Project being leased; and no such lease shall provide the lessee with an option to purchase the leased facilities other than at their fair market value (as of the time such option is exercised).

(x) Not more than fifty percent (50%) of the proceeds of the 2024 Bonds will be invested in a guaranteed investment contract with a term of four (4) years or more, or in another form of nonpurpose investment (within the meaning of Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four (4) years or more;

(xi) (1) The payment of principal or interest with respect to the 2024 Bonds is not guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof);

(2) Five percent (5%) or more of the proceeds of the 2024 Bonds will not be (A) used in making loans the payment of principal and interest with respect to which are to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), or (B) invested (directly or indirectly) in federally insured deposits or accounts as defined in Section 149(b)(4)(B) of the Code;

(3) The payment of principal or interest on the 2024 Bonds is not otherwise indirectly guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof);

The foregoing provisions of this paragraph (xi) shall not apply to proceeds of the 2024 Bonds being (I) invested for an initial temporary period until such proceeds are needed for the purpose for which such issue was issued; (II) invested as part of a *bona fide* debt service fund; (III) invested as a part of a reserve which meets the requirements of Section 148(d) of the Code; (IV) invested in obligations issued by the United States Treasury; (V) invested as part of a refunding escrow (*i.e.*, a fund containing proceeds of a refunding bond issue established to provide for the payment of principal or interest on one or more prior bond issues); or (VI) invested in other investments permitted under regulations promulgated pursuant to Section 149(b)(3)(B)(v) of the Code;

(xii) The entire amount of the proceeds of the 2024 Bonds will be needed for the governmental purposes described above.

ARTICLE VII
MISCELLANEOUS PROVISIONS

Section 7.01 Vesting of Trusts in Successor. Any bank or trust company with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent

for the purposes of this Supplemental Trust Agreement. If the position of any Paying Agent shall become vacant for any reason, the Authority shall, within thirty (30) days thereafter, appoint a bank or trust company located in the same city as such Paying Agent to fill such vacancy; provided, however, that if the Authority shall fail to appoint such Paying Agent within said period, the Trustee shall make such appointment.

The Trustee and the Authority agree that, notwithstanding anything to the contrary in Sections 9.11 and 9.12 of the Trust Agreement, the Trustee will not resign, and the Authority will not exercise its rights to remove the Trustee, in each case unless a successor Trustee, meeting the criteria set forth in the Trust Agreement, has been duly appointed and has accepted its duties and obligations thereunder; provided, however, that if a successor trustee is not appointed within one hundred twenty (120) days' of the Trustee's notice of intent to resign, the Trustee may, at the expense of the Authority, petition a court of competent jurisdiction to appoint a successor Trustee.

Section 7.02 Redesignation of Officers' Titles. For purposes of the Trust Agreement and as a result of the re-designation of the titles of officers of the Authority, the "Executive Director" as used in the Trust Agreement shall mean the Chief Executive Officer of the Authority; the "Senior Director of Finance" as used in the Trust Agreement shall mean the Executive Vice President of Finance, Procurement and Capital Programs of the Authority; and the "General Counsel" as used in the Trust Agreement shall include the Assistant General Counsel of the Authority and, in each case, their alternative officers as may be designated from time to time by the Board.

Section 7.03 Notices. Any notice, demand, directive, request or other instrument authorized or required by this Supplemental Trust Agreement to be given to or filed with the Authority or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this Supplemental Trust Agreement if and when sent by registered mail, return receipt requested or by electronic delivery:

To the Authority, if addressed to:

Hillsborough County Aviation Authority
Post Office Box 22287
Tampa, Florida 33622
Attn: Chief Executive Officer
Email: jlopano@tampaairport.com

With a copy to:

Hillsborough County Aviation Authority
Post Office Box 22287
Tampa, Florida 33622
Attn: Legal Affairs Department
Email: mkamprath@tampaairport.com

To the Trustee, if addressed to:

The Bank of New York Mellon
240 Greenwich Street - 7E
New York, New York 10286
Attn: Corporate Trust Administration

Section 7.04 Inspection of Documents. All documents received by the Trustee under the provisions of this Supplemental Trust Agreement shall be retained in its possession, subject at all reasonable times to the inspection by the Authority, the Consulting Engineers, the Airport Consultant and any Bondholder, and the agents and representatives thereof.

Section 7.05 No Third Party Beneficiaries. Except as herein otherwise expressly provided, nothing in this Supplemental Trust Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto and the holders of the 2024 Bonds issued under and secured by this Supplemental Trust Agreement, any right, remedy or claim, legal or equitable, under or by reason of this Supplemental Trust Agreement or any provision hereof, this Supplemental Trust Agreement and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto and the Registered Owners from time to time of the 2024 Bonds issued hereunder.

Section 7.06 Limitations on Liability. Nothing in the 2024 Bonds or in this Supplemental Trust Agreement shall create or constitute or be construed as creating or constituting a general indebtedness of the Authority, Hillsborough County, the City of Tampa, or any other political subdivision in the State of Florida, within the meaning of any constitutional or statutory debt limitation or provision, nor a lien upon any property of the Authority, said County, City, or any other political subdivision in said State, except the Revenues derived from the Airport System and other moneys pledged in the manner hereinbefore provided. No Registered Owner of 2024 Bonds issued hereunder shall ever have the right to require the exercise of the ad valorem taxing power of the Authority, Hillsborough County, the City of Tampa, or any other political subdivision in the State of Florida, for the payment of the principal of or any interest on the 2024 Bonds or the making of any payments required by this Supplemental Trust Agreement.

Section 7.07 Effect of Partial Invalidity. In case any one or more of the provisions of this Supplemental Trust Agreement or of the 2024 Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Supplemental Trust Agreement or of the 2024 Bonds, but this Supplemental Trust Agreement and the 2024 Bonds shall be construed and enforced as if such illegal and invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the 2024 Bonds or in this Supplemental Trust Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation, or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the parties thereto to the extent permitted by law.

Section 7.08 Controlling Law, Member of Authority Not Liable. All covenants, stipulations, obligations and agreements of the Authority contained in this Supplemental Trust Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the Authority to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent, attorney or employee of the Authority in his individual capacity, and neither the members of the Authority nor any official executing the 2024 Bonds shall be liable personally on the 2024 Bonds or documents related to the issuance thereof or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 7.09 Counterparts. This Supplemental Trust Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

Section 7.10 Headings Not Part of Trust Agreement. Any headings preceding the text of the several Articles and Sections hereof shall be solely for convenience of reference and shall not constitute a part of this Supplemental Trust Agreement, nor shall they affect its meaning, construction or effect.

Section 7.11 Escrow Obligations. If any of the 2024 Bonds are defeased pursuant to the provisions of Article XII of the Trust Agreement, the Authority agrees to limit the investments in the escrow account established for such 2024 Bonds to the following types of investments in addition to the direct obligations of the United States of America described in that Article:

a. Cash;

b. U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series - - "SLGS");

c. Direct obligations of the Treasury which have been stripped by the Treasury itself;

d. Resolution Funding Corp. (REFCORP) Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable;

e. Pre-refunded municipal bonds rated "Aa" by Moody's and "AA" by S&P. If however, the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AA rated pre-refunded municipals to satisfy this condition; or

f. Obligations issued by the following agencies, but only to the extent they are backed by the full faith and credit of the U.S.:

i. U.S. Export-Import Bank (Eximbank) - Direct obligations or fully guaranteed certificates of beneficial ownership.

ii. Farmers Home Administration (FmHA) - Certificates of beneficial ownership.

iii. Federal Financing Bank

iv. General Services Administration - Participation certificates.

v. U.S. Maritime Administration - Guaranteed Title XI financing.

vi. U.S. Department of Housing and Urban Development (HUD)

- Project Notes

- New Communities Debentures – U.S. government guaranteed debentures

- U.S. Public Housing Notes and Bonds – U.S. government guaranteed public housing notes and bonds.

Section 7.12 Non-Discrimination. During the performance of this Supplemental Trust Agreement, Trustee and its respective assignees and successors in interest, agrees as follows:

(a) In carrying out its services to the Authority, Trustee will comply with the regulations relative to non-discrimination in federally assisted programs of the Department of Transportation (DOT) Title 49, Code of Federal Regulations, Part 21, as amended from time to time (hereinafter referred to as the Regulations), which are incorporated herein by reference and made a part of this Supplemental Trust Agreement.

(b) Civil Rights. Trustee, with regard to the work performed by it under this Supplemental Trust Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Trustee will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21. During the performance of this Supplemental Trust Agreement, Trustee, for itself, its assignees, and successors in interest agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

(i) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);

(ii) 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);

(iii) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

(iv) Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;

(v) The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);

(vi) Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

(vii) The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

(viii) Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

(ix) The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

(x) Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

(xi) Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, Trustee must take reasonable steps to ensure that LEP persons have meaningful access to Trustee's programs (70 Fed. Reg. at 74087 to 74100); and

(xii) Title IX of the Education Amendments of 1972, as amended, which prohibits Trustee from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

(c) In all solicitations either by competitive bidding or negotiation made by the Trustee for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier must be notified by Trustee of Trustee's obligations under this Supplemental Trust Agreement and the Regulations relative to nondiscrimination on the grounds of race, color or national origin.

(d) Trustee will provide all information and reports required by the Regulations or directives issued pursuant thereto and must permit access to its books, records, accounts, other sources of information and its facilities as may be determined by Authority or the FAA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of Trustee is in the exclusive possession of another who fails or refuses to furnish this information, Trustee will so certify to Authority or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

(e) In the event of Trustee's non-compliance with the non-discrimination provisions of this Supplemental Trust Agreement, Authority will impose such contractual sanctions as it or the FAA may determine to be appropriate, including, but not limited to, withholding of payments to Trustee under this Supplemental Trust Agreement until Trustee complies, and/or cancellation, termination or suspension of this Supplemental Trust Agreement, in whole or in part.

(f) Trustee will include the provisions of Paragraphs (a) through (e) in every subcontract and subconsultant contract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued thereto. Trustee will take such action with respect to any subcontract or procurement as Authority or the FAA may direct as a means of enforcing such provisions, including sanctions for non-compliance. Provided, however, that in the event Trustee becomes involved in or is threatened with litigation with a subcontractor or supplier as a result of such direction, Trustee may request Authority to enter into such litigation to protect the interests of Authority and, in addition, Trustee may request the United States to enter into such litigation to protect the interests of the United States.

(g) Trustee assures that, in the performance of its obligations under this Supplemental Trust Agreement, it will fully comply with the requirements of 14 CFR Part 152, Subpart E (Non-Discrimination in Airport Aid Program), as amended from time to time, to the extent applicable to Trustee, to ensure, among other things, that no person will be excluded from participating in any activities covered by such requirements on the grounds of race, creed, color, national origin, or sex. Trustee, if required by such requirements, will provide assurances to Authority that Trustee will undertake an affirmative action program and will require the same of its subconsultants.

Section 7.13 Compliance with Chapter 119, Florida Statutes Public Records Law. IF TRUSTEE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE TRUSTEE'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS SUPPLEMENTAL TRUST AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (813) 870-8721, **ADMCENTRALRECORDS@TAMPAAIRPORT.COM**, HILLSBOROUGH COUNTY AVIATION AUTHORITY, P.O. BOX 22287, TAMPA FL 33622.

In carrying out its Trustee services under this engagement, and to the extent it is acting on behalf of the Authority as provided under Florida Statute Section 119.011(2), the

Trustee agrees in accordance with Florida Statute Section 119.0701 to comply with public records laws including the following:

(a) Keep and maintain public records required by Authority in order to perform the Services contemplated by this Supplemental Trust Agreement.

(b) Upon request from Authority custodian of public records, provide Authority with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Fla. Stat. or as otherwise provided by law.

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Supplemental Trust Agreement term and following completion of this Supplemental Trust Agreement.

(d) Upon completion of this Supplemental Trust Agreement, keep and maintain public records required by Authority to perform the Services. Trustee shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to Authority, upon request from Authority custodian of public records, in a format that is compatible with the information technology systems of Authority.

Section 7.14 Compliance with Section 20.055(5) Florida Statutes. The Trustee agrees to comply with Section 20.055(5), Florida Statutes, and to incorporate in all subcontracts the obligation to comply with Section 20.055(5) Florida Statutes.

Section 7.15 Anti-Trafficking. In accordance with Florida Statute Section 787.06 (13) the Trustee will be removed by the Authority, in accordance with Section 9.12 of the Original Trust Agreement, if it is found that the Trustee submitted a false Affidavit of Compliance with Anti-Human Trafficking as provided in Florida Statute Section 787.06 (13).

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Hillsborough County Aviation Authority has caused this Supplemental Trust Agreement to be executed by its Chairman, and the corporate seal of said Authority to be impressed hereon and attested by its Chief Executive Officer and its Executive Vice President of Finance, Procurement and Capital Programs; and The Bank of New York Mellon, has caused this Supplemental Trust Agreement to be executed on its behalf, as Trustee, by one of its Vice Presidents, and attested by one of its duly authorized officers, all as of the day and year first above written.

HILLSBOROUGH COUNTY
AVIATION AUTHORITY

(Seal)

By:______________________________
Chairman

Attest:

____
Chief Executive Officer
Hillsborough County Aviation Authority

____
Executive Vice President of Finance, Procurement and Capital Programs
Hillsborough County Aviation Authority

[Signature Page to 2024 Supplemental Trust Agreement]

THE BANK OF NEW YORK MELLON,
Trustee

By:______________________________
Name: David J. O'Brien
Its: Senior Vice President

[Signature Page to 2024 Supplemental Trust Agreement]

EXHIBIT A

DESCRIPTION OF 2024 TAX-EXEMPT AMT PROJECTS

EXHIBIT B

FORM OF 2024 SERIES B REGISTERED BONDS

No. R-___ **______________**

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF HILLSBOROUGH
HILLSBOROUGH COUNTY AVIATION AUTHORITY
TAMPA INTERNATIONAL AIRPORT
REVENUE BONDS,
2024 SERIES B (AMT)

Interest Rate	Maturity Date	Interest Accrual Date	Cusip No.
_____%	October 1, 20____	August 22, 2024	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _________________ DOLLARS

THE HILLSBOROUGH COUNTY AVIATION AUTHORITY (the "Authority"), a body politic and corporate created and existing under the laws of the State of Florida, for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above (or earlier as hereinafter provided), but solely from the revenues hereinafter mentioned, the Principal Amount identified above upon the presentation and surrender hereof at the principal office of The Bank of New York Mellon, as Bond Registrar and Paying Agent (the "Trustee" or "Registrar"), and to pay, solely from such special revenues, interest on the Principal Amount from the Interest Accrual Date, or from the most recent date to which interest has been paid, at the Interest Rate per annum identified above until payment of the outstanding Principal Amount hereof, such interest being payable semiannually on the first day of April and the first day of October in each year, commencing on April 1, 2025. Interest will be paid by check or draft mailed to the Registered Owner hereof at his address as it appears on the registration books of the Authority maintained by the Registrar at the close of business on the fifteenth (15th) day (whether or not a business day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest as established by notice by deposit in the U.S. mails, postage prepaid, by the Authority to the registered owners of Bonds not less than twenty (20) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day, whether or not a business day, preceding the date of mailing.

Payment of principal of, upon presentation and surrender, or interest on Bonds of this Series may, at the election of a registered owner of $1,000,000 or more in aggregate principal amount of Bonds of this Series, by written request delivered to the Trustee at least 10 days prior to the applicable Record Date, be transmitted to such registered owner by wire transfer to an account in the continental United States designated by such registered owner. Any such written election may state that it will apply to all subsequent payments due with respect to the Bonds of this Series held by such registered owner until a subsequent written notice is filed with the Trustee.

This Bond and the interest and premium, if any, hereon are payable solely from and secured on a parity with certain Bonds of the Authority heretofore issued under a Codified and Restated Trust Agreement effective on and after March 9, 2022, as amended, and agreements supplemental thereto (collectively, the "Trust Agreement"), pursuant and subject to the provisions, terms and conditions of Resolution No. 2024-96 adopted by the Authority on August 1, 2024 (the "Resolution"), and the Supplemental Trust Agreement, dated as of August 1, 2024 (the "Supplemental Trust Agreement"), by and among the Authority and the Trustee by an equal lien on the revenues derived from the Airport System of the Authority and other moneys pledged therefor in the manner and to the extent provided in the Trust Agreement and the Supplemental Trust Agreement. Reference is hereby made to the Resolution, the Trust Agreement and the Supplemental Trust Agreement for the provisions, among others, relating to the terms of and lien and security for the Bonds, the custody and application of the proceeds of the Bonds, the rights and remedies of the registered owners of the Bonds and the extent of and limitations on the Authority's rights, duties and obligations, the provisions permitting the issuance of additional parity indebtedness, and circumstances under which the lien to which this Bond is entitled under the Trust Agreement and the Supplemental Trust Agreement may be released and defeased, to all of which provisions the Registered Owner for himself and his successor in interest assents by acceptance of this Bond.

This Bond shall not be nor constitute a general indebtedness of the Authority, Hillsborough County, the City of Tampa, or any other political subdivision in the State of Florida, within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed that this Bond and the obligation evidenced hereby shall not constitute nor be a lien upon any property of the Authority, except the revenues derived from the Airport System and other moneys pledged therefor, or of Hillsborough County, the City of Tampa or any other political subdivision in the State of Florida, and no registered owner of this Bond shall ever have the right to require or compel the exercise of the ad valorem taxing power of the Authority, Hillsborough County, the City of Tampa or any other political subdivision in the State of Florida, for the payment of this Bond or any interest due hereon and the Authority is not and shall never be under any obligation to pay the principal of or interest on this Bond except from the revenues derived from the Airport System and other moneys pledged therefor, in the manner provided in the Trust Agreement and the Supplemental Trust Agreement. It is further agreed between the Authority and the Registered Owner of this Bond that this Bond and the indebtedness evidenced hereby shall not constitute a lien upon the Airport System, or any part thereof, or any other tangible personal property of or in the Authority, but shall constitute a lien only on certain Revenues derived from the operation of the Airport System and certain other funds and investment earnings thereon, all in the manner and to the extent provided in the Trust Agreement and the Supplemental Trust Agreement. Neither the members of the Authority nor any person executing the Bonds shall be liable personally on the Bonds by reason of their issuance.

This Bond is one of a duly authorized issue of Bonds in the aggregate principal amount of $462,975,000 of like date, tenor and effect, except as to number, maturity (unless all Bonds mature on the same date), interest rate and payment provisions, issued under and by virtue of the authority contained in and conferred by the Constitution and laws of the State of Florida, including particularly Chapter 2022-252, Laws of Florida, together with acts amendatory thereof and supplemental thereto (collectively, the "Act"), and other applicable statutes, and Section 2.09 of the Trust Agreement, as amended through the date of issuance thereof.

The Bonds of this series maturing on or after October 1, 2035 may be redeemed prior to their maturity, at the option of the Authority, from time to time, in whole or in part on any date on or after October 1, 2034, in such amounts and in such order of maturity or Sinking Fund Installments as the Authority may determine and set forth in its notice of redemption to the Trustee, and by lot or as the Authority may designate, within a maturity or Sinking Fund Installment if less than all, at the redemption price of one-hundred percent (100%) of the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date.

The Bonds of this series are subject to mandatory redemption on the dates set forth below at the redemption price of par plus accrued interest and without premium (each such redemption to be treated as a Sinking Fund Installment for purposes of the Trust Agreement):

2024 Term Bonds due October 1, 2049:

Amount to be Redeemed	Redemption Date (October 1)
$19,235,000	2045
20,295,000	2046
21,410,000	2047
22,585,000	2048
23,830,000	2049*

*Final Maturity

2024 Term Bonds due October 1, 2054:

Amount to be Redeemed	Redemption Date (October 1)
$25,140,000	2050
26,525,000	2051
27,980,000	2052
29,525,000	2053
31,150,000	2054*

*Final Maturity

Each Sinking Fund Installment of this Bond shown above under "Amount to be Redeemed" shall be treated as principal payments on Serial Bonds for purposes of Section 5.02(C) of the Trust Agreement.

A notice of the redemption of any of said Bonds shall be sent to the registered owners of such Bonds by regular mail, postage prepaid, or by electronic delivery, in either case at their addresses as they appear on the registration books, at least twenty (20) days prior to the redemption date in the manner provided in the Trust Agreement and Supplemental Trust Agreement; provided, however, that failure to so mail such notice to such registered owners, or any defect therein, shall not affect the validity of the proceedings for redemption of Bonds with respect to which no such failure or defect occurred. The Bonds so duly called for redemption shall become and be due and payable at the redemption price provided for such Bonds or portions thereof on the dates designated for redemption, and when the necessary moneys shall have been deposited with, or shall be held by, the Trustee or Paying Agents, interest on such Bonds called for redemption shall cease to accrue on the dates designated for redemption, and the holders or registered owners of said Bonds called for redemption shall not have any lien, rights, benefits or security under the Trust Agreement and Supplemental Trust Agreement, except to receive payment of the redemption price on the designated date of redemption from moneys deposited with or held by the Trustee or Paying Agents for such redemption of such Bonds. Any notice mailed in accordance with the foregoing requirements shall be conclusively presumed to have been duly given, whether or not the Registered Owner actually receives such notice. Any notice of redemption may state that the redemption contemplated therein is conditioned upon the occurrence of certain events or circumstances described therein as contemplated in the Trust Agreement, as amended, or may otherwise be revoked for any reason, in which case the Authority will not be obligated to redeem such Bonds unless the events therein described have occurred.

The Registered Owner hereof, by acceptance of this Bond, hereby consents to the terms and provisions of the Trust Agreement, including the conceptual amendments set forth in Section 11.05 thereof, and those amendments set forth in subsequent Supplemental Trust Agreements, including the 2024 Supplemental Trust Agreement pursuant to which this Bond was issued.

The registration of this Bond may be transferred upon the registration books by delivery hereof to the principal corporate trust office of the Registrar in the City of New York, New York, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or by his attorney-in-fact or legal representative, containing written instructions as to the details of transfer of this Bond, along with the social security number or federal employer identification number of such transferee. In all cases of a transfer of a Bond, the Registrar shall at the earliest practical time in accordance with the provisions of the Supplemental Trust Agreement enter the transfer of ownership in the registration books and (unless uncertificated registration shall be requested and the Authority has a registration system that will accommodate uncertificated registration) shall deliver in the name of the new transferee or transferees a new fully registered Bond or Bonds of the same series and maturity and of authorized denomination or denominations, for the same aggregate principal amount and payable from the same sources of funds. Neither the Authority nor the Registrar shall be required to register the transfer of any Bond during the twenty-five (25) days next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, after such Bonds or any portion thereof has been selected for redemption. The Authority and the Registrar may charge the owner of such Bond for the registration of every such transfer of a Bond an amount sufficient to reimburse them for any tax, fee or any other governmental charge required (other than by the Authority) to be paid with respect to the registration of such transfer, and may require that such amounts be paid before any such new Bond shall be delivered.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the corporate trust office of the Trustee is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in regular and due form and time as required by the Constitution and laws of the State of Florida applicable thereto and that the issuance of this Bond is in full compliance with all constitutional and statutory limitations, provisions and restrictions.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Trust Agreement and the Supplemental Trust Agreement until the Certificate of Authentication endorsed hereon shall have been signed by the Trustee.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Hillsborough County Aviation Authority, a public body corporate created and existing under the laws of the State of Florida, has issued this Bond and has caused the same to be signed by the manual or facsimile signature of its Chairman, and the corporate seal of said Authority, or a facsimile thereof, to be affixed, impressed, imprinted, lithographed or reproduced hereon and attested by the manual or facsimile signature of its Chief Executive Officer and its Executive Vice President of Finance, Procurement and Capital Programs, all as of the 22nd day of August, 2024.

HILLSBOROUGH COUNTY
AVIATION AUTHORITY

By:____________________________
Chairman of the Hillsborough County
Aviation Authority

(SEAL)

Attest:

____
Chief Executive Officer
Hillsborough County Aviation Authority

____
Executive Vice President of Finance, Procurement
and Capital Programs
Hillsborough County Aviation Authority

____
Secretary
Hillsborough County Aviation Authority

CERTIFICATION OF AUTHENTICATION

This Bond is the Bond issued under the provisions of the within mentioned Trust Agreement and Supplemental Trust Agreement.

THE BANK OF NEW YORK MELLON, Trustee

By__________________________
Authorized Signatory

Date of Authentication: August 22, 2024

****

FORM OF ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto____
___________________________ (PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER(S) OF TRANSFEREE(S))

____
____ the attached Bond of the HILLSBOROUGH COUNTY AVIATION AUTHORITY and does hereby constitute and appoint _______________ as attorney to register the transfer of the said bond on the books kept for registration and registration of transfer thereof of the within Bond, with full power of substitution in the premises.

Dated: __________

Signature Guaranteed:

___________________________________ ____________________________

Registered Owner

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guaranty program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP) or New York Stock Exchange Medallion Signature Program (MSP), a member firm of the New York Stock Exchange or a commercial bank or a trust company.

NOTICE: No transfer will be registered and no new Bond will be issued in the name or names of the Transferee(s), unless the signature(s) to this assignment correspond(s) with the name or names as it/they appear(s) upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Numbers of the Transferee(s) is/are supplied.

(END OF FORM OF 2024 REGISTERED BOND)

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APPENDIX E

AIRLINE RATES, FEES AND CHARGES RESOLUTION

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TAMPA INTERNATIONAL AIRPORT
AIRLINE RATES, FEES AND CHARGES
RESOLUTION

FOR THE USE OF

TAMPA INTERNATIONAL AIRPORT
TAMPA, FLORIDA

ADOPTED

BY

HILLSBOROUGH COUNTY AVIATION AUTHORITY

Board Date: September 3, 2020

Prepared by:

Hillsborough County Aviation Authority
Real Estate Department
Tampa International Airport
P. O. Box 22287
Tampa, Florida 33622

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HILLSBOROUGH COUNTY AVIATION AUTHORITY

TAMPA INTERNATIONAL AIRPORT AIRLINE RATES, FEES AND CHARGES RESOLUTION

It is hereby RESOLVED by the Members of the Board of the Hillsborough County Aviation Authority, Tampa, Florida, with capitalized terms having the meaning set forth in Article 5 of this Resolution, as follows:

ARTICLE 1
CITATION

This Resolution may be cited as the "Tampa International Airport Airline Rates, Fees and Charges Resolution" or "Resolution".

ARTICLE 2
FINDINGS

The Hillsborough County Aviation Authority hereby finds and determines as follows:

2.1 The Authority was created by Chapter 2012-234, Laws of Florida and exists as an independent special district according thereto.

2.2 The Act provides that the Legislature finds and declares that the proper operation of the publicly owned or operated airports in Hillsborough County is essential to the welfare of the people of the Tampa Bay area, the State of Florida and its people, and such operation is a governmental function.

2.3 Among the powers granted to the Authority under the Act are the power to exclusively control, supervise, and manage all airports in Hillsborough County except any airport owned, controlled, or operated by a private person; adopt an annual budget; assess against and collect from the owner or operator of each airplane using any Authority facility a landing fee or service charge sufficient to cover the cost of the service furnished to airplanes using any such facility, which cost may include the liquidation of bonds or other indebtedness for construction and improvement; to fix, alter, charge, establish, and collect rates, fees, rentals, and other charges, for the services of Authority facilities at reasonable and uniform rates; and to transact the business of the Authority and exercise all powers necessarily incidental to the exercise of the general and special powers granted in the Act and under any other law.

2.4 The Authority has the ownership, custody, control, and management of Tampa International Airport, located in Hillsborough County, State of Florida.

2.5 The Authority is obligated under Federal law to maintain an airport user fee and rental structure that, given the conditions at the Airport, makes the Airport as financially self-sustaining as possible.

2.6 The Authority is further obligated under Federal law to establish an airport user fee structure that is fair and reasonable to all aeronautical users and that is not unjustly discriminatory.

2.7 The Authority and various Air Carriers operating an Air Transportation Business at the Airport entered into an Airline-Airport Use and Lease Agreement (the "***Existing Agreement***") and the Existing Agreement expires on September 30, 2020.

2.8 The Authority and the Air Carriers that are parties to the Existing Agreement have been engaged in extended, detailed and good faith negotiations with respect to the terms and conditions of a new agreement, including without limitation the methodology for the calculation of rates, fees, rentals, and other charges for use by such Air Carriers of the facilities and services at the Airport.

2.9 Extensive documentation and other information has been shared with such Air Carriers regarding the need to modify the rate-setting methodology that has existed under the Existing Agreement with respect to what has generally been referred to as a "cost-recovery" methodology as it pertains to Airline Supported Areas.

2.10 Due, in part, to the COVID-19 pandemic and its impact on travel, the Authority and the Air Carriers operating at the Airport have not been able to complete negotiation of a new agreement to replace the Existing Agreement.

ARTICLE 3
PURPOSE AND SCOPE

3.1 The Authority finds and determines that it is in the public interest to establish a schedule of airline rates, fees, and charges pursuant to this Resolution.

3.2 This Resolution shall be applicable to all Air Carriers utilizing the Airport.

ARTICLE 4
EFFECTIVE DATE

This Tampa International Airport Airline Rates, Fees and Charges Resolution shall take effect on the 1st day of October, 2020.

ARTICLE 5
DEFINITIONS

5.1 The following words, terms, and phrases wherever used in this Resolution shall have the following meanings:

Act shall mean Chapter 2012-234, Laws of Florida, as amended and supplemented from time to time.

Administrative Charge shall mean a charge of fifteen percent (15%) in addition to the cost of any service or other work provided by the Authority for the benefit of an Air Carrier required of the Authority hereunder or provided as a result of damage to Authority property by an Air Carrier to compensate the Authority for its administrative costs. For an Administrative Charge to become due, except in the case of an emergency as determined by the Authority, the Authority must provide the Air Carrier reasonable prior written notice (and in case of damage caused to Authority property, a reasonable opportunity to cure) of the Authority's intent to perform such work or service.

Administrative Cost Center shall mean and include all direct and indirect Costs for all administrative functions of the Airport System. The Administrative Cost Center's Costs shall be allocated to the Cost Centers and Cost and Revenue Centers of the Airport System based on the proportion of direct Costs allocated to each Cost and Revenue Center compared to all direct Costs.

Affiliate shall mean any Air Carrier that satisfies each of (A) and (B) below:

A. An Air Carrier that is:

1. operating at the Airport for the benefit of an Air Carrier at the Airport, under the same or substantially similar livery as such Air Carrier, and (a) is owned by such Air Carrier, or (b) is a subsidiary of, or under common control with the same corporate parent of, such Air Carrier, or (c) is under contract with such Air Carrier in respect of such operation; OR

2. if operating under its own livery, is not selling any seats on an aircraft in its own name and all seats on such aircraft are being sold in the name of another Air Carrier.

B. For so long as an Air Carrier conducts an Air Transportation Business at the Airport, subject to the Authority's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed, an Air Carrier may utilize one or more Affiliates and allow such Affiliates (i) to conduct its Air Transportation Business at the Airport; (ii) to use, in common with others so authorized, the common and public areas of the Airport (including the Airfield), in addition to a Signatory Airline's Airline Premises; and (iii) to perform all operations and functions as are connected, incidental or necessary to such Air Carrier's Air Transportation Business at the Airport, subject to the following:

1. The sponsoring Air Carrier shall provide the Authority with a completed and executed Affiliate Carrier Operating Agreement in substantially the form provided by the Authority and a certificate of insurance demonstrating that such Affiliate carries insurance coverage naming the Authority as an additional insured in accordance with Article 14 of this Resolution thirty (30) days prior to the Air Carrier designating a new Affiliate, which designation is subject to the Authority's approval, which approval shall not be unreasonably withheld, conditioned or delayed. As a precondition of being approved by the Authority, each Affiliate shall (a) be independently liable for all charges incurred related to its operation at the Airport (in addition to the Air Carrier's liability stated below), (b) maintain certain minimum levels of insurance coverage, (c) indemnify and hold the Indemnified Parties harmless from any and all damages incurred as a result of its operations at the Airport as set forth in Article 12 hereof and (d) agree to abide by all Authority Rules and Regulations, Operating Directives, and/or Policies as may be in effect from time-to-time.

2. The sponsoring Air Carrier shall be unconditionally responsible for the payment of all rentals, fees, and charges, including Passenger Facility Charges, due under this Resolution by its Affiliate. Except as expressly provided herein, the privileges granted hereunder to an Air Carrier shall also apply to any Affiliate of such Air Carrier.

3. The sponsoring Air Carrier shall fully indemnify the Authority for all conduct and omissions of its Affiliate at the Airport to the fullest extent as is provided in Article 12 of this Resolution.

For the avoidance of doubt, an Air Carrier may serve as an affiliate of more than one sponsoring Air Carrier and, accordingly, a sponsoring Air Carrier shall only be responsible for the operations of its Affiliate (including the Airline Fees and Charges, indemnification and insurance) when the Affiliate Air Carrier operates as an affiliate of the sponsoring Air Carrier.

Air Carrier shall mean any air carrier or foreign air carrier, as defined in 49 U.S.C. § 40102, as amended, operating an Air Transportation Business from time to time at the Airport.

Air Transportation Business shall mean the carriage by aircraft of persons or property as a common carrier for compensation or hire, or carriage of cargo or mail by aircraft, in air commerce, as defined in 49 U.S.C. § 40102, as amended.

Aircraft Parking Fee shall mean the fee charged for any aircraft parked for more than two (2) hours in any twenty-four (24) hour period and not parked at one of a Signatory Airline's Gates within its Preferential Use Premises calculated as set forth in Section 9.1(I). The CEO in his or her discretion may waive Aircraft Parking Fees in certain instances in order to achieve greater operational efficiency.

Airfield shall mean those portions of the Airport, excluding the Terminal Aircraft Aprons and the Cargo Aircraft Aprons, provided for the landing, taking off, and taxiing of aircraft, including without limitation, approach and turning zones, clear zones, avigation or other easements, runways, a fully integrated taxiway system, runway and taxiway lights, and other appurtenances related to the aeronautical use of the Airport, including any real property purchased for noise mitigation purposes.

Airfield Cost and Revenue Center shall mean and include all direct and indirect Costs and operating Revenues for the Airfield.

Airline Fees and Charges shall mean, for any period, the aggregate of Landing Fees, Terminal Facility Fees, Aircraft Parking Fees, Joint Use Charges, FIS Fees, Baggage Handling System Fees, the Air Carrier Share (as defined in Section 9.1(D)(5)) of Passenger Transfer System Fees, Airline Terminal Support Fees, and all other fees, if any, payable by Air Carriers pursuant to this Resolution for such period; provided, however, that when used with reference to an individual Air Carrier, "Airline Fees and Charges" shall mean only those fees and charges payable by such Air Carrier.

Airline Parties shall mean, collectively, an Air Carrier, and any of its Affiliates, officers, volunteers, representatives, agents, employees, contractors, subcontractors, licensees, subtenants, or suppliers.

Airline Premises shall mean those areas in the Terminal Complex assigned to a Signatory Airline pursuant to its Space Rental Agreement as Office and Club Premises, Preferential Use Premises, and the portion of the Joint Use Premises used by a Signatory Airline, as defined in the Signatory Airline's Space Rental Agreement.

Airline Supported Areas shall mean the Airfield Cost and Revenue Center, the Airline Terminal Support Cost and Revenue Center, the Airside Buildings Cost and Revenue Center, the Terminal Building Cost and Revenue Center, the Passenger Transfer System Cost and Revenue Center and the Baggage Handling System Cost and Revenue Center.

Airline Terminal Support Cost and Revenue Center shall mean and include all direct and indirect Costs of those systems and technologies used primarily by Air Carriers, including without limitation, flight information display systems ("***FIDS***"), gate information display systems ("***GIDS***") and baggage information display systems ("***BIDS***") and the related information technology infrastructure.

Airline Terminal Support Fee shall mean the fee for use of the systems included in the Airline Terminal Support Cost and Revenue Center, calculated as provided in Section 9.1(J) hereof.

Airport shall mean Tampa International Airport, owned and operated by Authority, including all real property, easements, or any other property interest therein as well as all improvements and appurtenances thereto, structures, buildings, fixtures, and all tangible personal property or interest in any of the foregoing, now or hereafter owned, leased, or operated by Authority.

Airport Airline Affairs Committee ("***AAAC***") shall mean, collectively, the authorized representatives of each Signatory Airline, which shall meet from time to time with representatives of the Authority to receive information and provide input.

Airport System shall mean all real property or any interest therein, including improvements thereto, structures, buildings, fixtures, and other real and personal property, which are

located on the Airport, Peter O. Knight Airport, Plant City Airport, Tampa Executive Airport, or any airport hereafter owned, leased, or operated by Authority.

Airside Buildings shall mean the building or buildings at the Airport now or hereafter existing through which passenger aircraft are loaded or unloaded.

Airside Buildings Cost and Revenue Center shall mean and include all direct and indirect Costs and operating Revenues for the Airside Buildings.

Airside Building Rental Rate shall mean the rate per Rentable Square Foot of space in the Airside Buildings, calculated as set forth in Section 9.1(C) hereof.

Annual Coverage Requirement shall mean, for any Fiscal Year, the greater of (i) such amount as may be established by the Trust Agreement, the Subordinated Trust Agreement and any Other Financing Document as the minimum amount required to be collected in any Fiscal Year in order to meet the rate covenant of the Trust Agreement, the Subordinated Trust Agreement and such Other Financing Document, or (ii) twenty-five percent (25%) of the amount of Debt Service due in such Fiscal Year.

AOA shall mean the Aircraft Operations Area at the Airport, as designated from time to time by the Authority.

Applicable Laws shall mean all laws, statutes, ordinances, rules, and regulations (including without limitation Environmental Laws) lawfully issued or promulgated by any Governmental Authority governing or otherwise applicable to an Air Carrier or the Airport (including Rules and Regulations adopted by the Authority), as any of the same may now exist or may hereafter be adopted or amended, modified, extended, re-enacted, re-designated, or replaced from time to time, and judicial interpretations thereof.

Authority shall mean the Hillsborough County Aviation Authority, an independent special district created and existing pursuant to the provisions of the Act.

Authority Space shall mean otherwise rentable space within the Terminal Complex occupied by the Authority, the Costs of which shall be allocated to the Administrative Cost Center.

Auxiliary Airports Cost and Revenue Center shall mean and include all direct and indirect Costs and operating Revenues for all airports operated by the Authority, other than the Airport.

Baggage Handling System shall mean those facilities and equipment used to process passenger baggage at the Terminal Complex, including in-line baggage handling systems.

Baggage Handling System Cost and Revenue Center shall mean and include all direct and indirect Costs and operating Revenues for the Baggage Handling System.

Baggage Handling System Fee shall mean the fee for use of the Baggage Handling System calculated as provided in Section 9.1(E) hereof.

Bonds shall mean all notes, bonds, or other obligations or indebtedness issued pursuant to the Trust Agreement and secured by a pledge of revenues or net revenues of the Airport System, on either a senior or subordinated basis. The term "Bonds" does not include other bonds, such as Subordinated Indebtedness and special facility revenue bonds, that are not secured by general Airport System revenues and are issued pursuant to a separate indenture, which may be issued to finance Capital Projects at or related to the Airport System.

Capital Project shall mean any expenditure made to acquire, purchase, or construct a single capital item or project for the purpose(s) of improving, developing, preserving, or enhancing the Airport System and having a net cost to the Authority in excess of One Hundred Thousand Dollars ($100,000) and a useful life in excess of one (1) year and shall include expenses incurred for development, implementation, study, analysis, review, design, or planning efforts.

Cargo Aircraft Aprons shall mean those areas of the Airport that are designated by the Authority for the parking of all-cargo aircraft and support vehicles, and the loading and unloading of cargo aircraft.

Cargo Cost and Revenue Center shall mean and include all direct and indirect Costs and operating Revenues for the Cargo Aircraft Aprons and cargo facilities at the Airport, as its boundaries may be adjusted by the Authority from time to time.

Chargeable Landings shall mean all Revenue Landings and those Non-Revenue Landings whenever the same aircraft departs the Airport as a revenue flight.

Chief Executive Officer or CEO shall mean the Chief Executive Officer of the Authority and shall include such person or persons as may from time to time be authorized in writing by the Authority or by the Chief Executive Officer or Applicable Law to act for the Chief Executive Officer with respect to any or all matters.

CHRC shall mean an FBI fingerprint-based criminal history records check.

Commencement Date shall mean the later of the Effective Date or the date an Air Carrier commences service at the Airport.

Cost and Revenue Centers shall mean those areas or functional activities of the Airport System used for the purposes of accounting for Revenues and Costs.

Cost Centers shall mean those areas or functional activities of the Airport System used for the purposes of accounting for Costs.

Costs shall mean, for any period, direct and indirect O&M Expenditures; any Revenues when more than 90 days past due and deemed by the Authority to be uncollectable (after the Authority uses commercially reasonable efforts to collect the same, known as bad debt expense); as a Cost allocable to the Airline Supported Areas, the unpaid amount of any self-insured retention or deductible, or any amount required to be covered by insurance required under this Resolution, not paid by an Air Carrier more than 90 days past due and deemed by the Authority to be uncollectable (after the Authority uses commercially reasonable efforts to collect the same, provided that such amount is not paid from the Authority's insurance); the O&M Reserve Requirement (after giving effect to amounts on deposit in the O&M Reserve Fund); Investment Service as allocated prior to September 30, 2020; Debt Service; Return on Authority Investment; the Annual Coverage Requirement; any other Fund Deposit Requirements; the estimated amount of defending, settling, or satisfying any threatened litigation, litigation, assessment, judgment, settlement, or charge net of estimated insurance proceeds to become payable to Authority relating directly to the Airport System or its operation reduced by all amounts, if any, received by the Authority of any judgments or settlements arising as a result of the Authority's ownership, operation, and maintenance of the Airport System payable during said period; and any and all other sums, amounts, charges, or requirements of the Authority required to be recovered, charged, set aside, expensed, or accounted for, from the Air Carriers during such period by the Trust Agreement or Other Financing Documents; provided, however, Costs shall not include any amounts described above related to any Special Facility in any Cost Center except as such may be provided for in a supplemental indenture.

Customer Facility Charges ("***CFCs***") shall mean fees collected from customers of rental car companies renting vehicles at the Airport on behalf of and held in trust for the Authority and fees collected from customers of rental car companies renting vehicles off-Airport on behalf of and held in trust for the Authority.

Debt Service shall mean any principal, interest, premium, make-whole and other fees and amounts either paid or accrued for Bonds, and such other amounts required for payment of principal, interest, premium, make-whole and other fees and amounts associated with Subordinated Indebtedness and Other Indebtedness, exclusive of amounts funded by PFC or CFC collections, and other associated costs due or payable in such period, including any amounts necessary to maintain the required balance in the Debt Service Reserve Fund or similar fund created pursuant to the Trust Agreement and Other Financing Documents, and any required deposits to any rebate or similar fund created pursuant to the Trust Agreement and Other Financing Documents, all Fund Deposit Requirements, as set forth in the Trust Agreement and Other Financing Documents, any letter of credit bank reimbursement obligations, reserve fund, or municipal bond insurance obligations, sinking fund payments, call premiums, payments required by forward purchase agreements, remarketing fees, letter of credit fees, trustee fees, paying agent fees, consultant fees, attorney fees, and any other costs and fees payable in connection with such Bonds, Subordinated Indebtedness and Other Indebtedness.

Debt Service Reserve Fund shall mean the funds created by the Trust Agreement and Other Financing Documents for maintaining a balance equal to the amount required by the Trust Agreement and Other Financing Documents as additional security for the Bonds Subordinated Indebtedness and Other Indebtedness.

Deplaned Passenger shall mean any passenger disembarking an aircraft at the Terminal Complex, including any such passenger that shall subsequently board another aircraft of the same or a different Air Carrier or the same aircraft, if previously operating under a different flight number.

Effective Date has the meaning set forth in Article 4.

Enplaned Passenger shall mean any passenger boarding an aircraft at the Terminal Complex, including any such passenger that previously disembarked from another aircraft of the same or a different Air Carrier or from the same aircraft, if previously operating under a different flight number.

Environmental Laws shall mean and include all applicable Federal, State, and local statutes, ordinances, regulations, rules, and orders relating to environmental quality, health, safety, contamination, and clean-up, as they currently exist or may exist in the future, including, without limitation, the Clean Air Act, 42 U.S.C. §7401 *et seq.*; the Clean Water Act, 33 U.S.C. §1251 *et seq.*; the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act ("***FIFRA***"), 7 U.S.C. §136 *et seq.*; the Marine Protection, Research, and

Sanctuaries Act, 33 U.S.C. §1401 *et seq.*; the Noise Control Act, 42 U.S.C. §4901 *et seq.*; the Resource Conservation and Recovery Act ("***RCRA***"), 42 U.S.C. §6901 *et seq.*, as amended by the Hazardous and Solid Waste Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. §300f *et seq.*; the Comprehensive Environmental Response, Compensation and Liability Act ("***CERCLA***"), 42 U.S.C. §9601 *et seq.*, as amended by the Superfund Amendments and Reauthorization Act, and the Emergency Planning and Community Right to Know Act, and the Radon Gas and Indoor Air Quality Research Act; the Hazardous Material Transportation Act, 49 U.S.C. §9601 *et seq.*; the Toxic Substance Control Act ("***TSCA***"), 15 U.S.C. §2601 *et seq.*; the Atomic Energy Act, 42 U.S.C. §2011 *et seq.*; the Nuclear Waste Policy Act of 1982, 42 U.S.C. §1010 *et seq.*; all State environmental protection, superlien and environmental clean-up statutes; all implementing rules, regulations, guidelines, and orders and all local laws, regulations, rules, ordinances, and orders insofar as they are equivalent or similar to the Federal laws recited above or purport to regulate Hazardous Substances; and judicial interpretations of each of the foregoing.

Extraordinary Service Charges shall mean charges for services provided by the Authority to one or more Air Carriers that are not required pursuant to this Resolution or a Space Rental Agreement.

FDEP shall mean the Florida Department of Environmental Protection or any State agency succeeding thereto.

Federal Aviation Administration (sometimes abbreviated as ***FAA***) shall mean the Federal Aviation Administration created under the Federal Aviation Act of 1958, as amended, or any duly authorized successor agency thereto.

Fiscal Year shall mean the annual accounting period of the Authority for its general accounting purposes which, at the time of adoption of this Resolution, is the period of twelve consecutive months, ending with the last day of September of any year.

FIS Facilities shall mean the Federal Inspection Services (***FIS***) facilities provided from time to time for United States Customs and Border Protection, United States Immigration and Customs Enforcement, United States Department of Health and Human Services and United States Department of Agriculture, and any successor departments or services thereto, for the processing of arriving international passengers at the Airport.

FIS Fee means the fee charged to Air Carriers using the FIS Facilities per international arriving passenger (other than pre-cleared international passengers) as such amount may be established from time to time by the Authority.

Fund Deposit Requirements means amounts necessary in any period to satisfy all requirements set forth in the Trust Agreement, the Subordinated Trust Agreement and financing documents with respect to Other Indebtedness to deposit Revenues to funds and accounts established under such agreements for such period; provided, however, that Debt Service coverage may be addressed separately through the Annual Coverage Requirement.

Gate shall mean that portion of the Terminal Complex consisting of a holdroom and all other appropriate appurtenant space and equipment plus the associated Terminal Airline Apron and the associated Loading Bridge (if any).

Governmental Authority shall mean any Federal, State, county, municipal, or other governmental entity (including the Authority in its governmental capacity), or any subdivision thereof, with authority over the Airport or Air Carriers.

Ground Handler shall have the meaning set forth in Section 6.4 of this Resolution.

GSE shall mean ground service equipment.

Hazardous Substance shall mean:

1. any substance the presence of which requires or may later require notification, investigation or remediation under any Environmental Law; or

2. any substance that is or becomes defined as a "hazardous waste", "hazardous material", "hazardous substance", "pollutant", or "contaminant" under any Environmental Law, including, without limitation, CERCLA, RCRA, and the associated regulations; or

3. any substance that is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any Governmental Authority; or

4. any substance that contains gasoline, diesel fuel, oil, or other petroleum hydrocarbons or volatile organic compounds; or

5. any substance that contains polychlorinated biphenyls ("***PCBs***"), per- and polyfluoroalkyl substances (***PFAS*** and related chemicals), asbestos or urea formaldehyde foam insulation; or

6. any substance that contains or emits radioactive particles, waves, or materials, including, without limitation, radon gas.

ID Media shall mean an Airport identification badge issued by the Authority.

Indemnified Party or Indemnified Parties shall mean the Authority, its successors and assigns, and each of its Board members, officers, officials, employees, agents, contractors, subcontractors, and volunteers.

Investment Service shall mean, with respect to any Fiscal Year, the sum of (1) Debt Service (exclusive of capitalized interest) and Other Debt Service payable by Authority in that Fiscal Year for indebtedness incurred on Capital Projects completed prior to October 1, 2020; plus (2) Return on Authority Investment for expenditures incurred on Capital Projects completed prior to October 1, 2020; plus (3) the Annual Coverage Requirement related to the foregoing; less (4) a reduction for any interest earnings in the Debt Service Reserve Fund attributable to such Debt Service or Other Debt Service; less (5) a reduction for any interest earnings in the Redemption Account attributable to amounts transferred from the Surplus Fund. Investment Service will exclude any amounts funded by PFC or CFC collections.

Joint Use Charges shall mean charges payable by the Air Carriers for use of the Joint Use Premises.

Joint Use Formula shall mean the formula used to calculate each Air Carrier's allocable share of Joint Use Charges and other designated Airline Fees and Charges determined as follows: for any period, each Air Carrier's allocable share shall be equal to a fraction, the numerator of which is the number of such Air Carrier's Enplaned Passengers for such period and the denominator of which is the total number of Enplaned Passengers for all Air Carriers for such period.

Joint Use Premises shall mean the areas in the Terminal Complex used by an Air Carrier for its nonexclusive use, jointly with other Air Carriers similarly so designated, and includes the Air Carrier Share (as defined in Section 9.1(D)(5)) of passenger screening, the Air Carrier Share of Passenger Transfer System shuttle exit areas in the Airside Buildings, baggage claim and tug drives. Each Air Carrier shall have the right to use the baggage claim areas jointly used by it and other Air Carriers on a shared use basis with such other Air Carriers and each Air Carrier's obligations with respect to such premises, including its obligation to pay Joint Use Charges, shall also be shared with such other Air Carriers.

Land Bank Cost Center shall mean and include all direct and indirect Costs for all land on the Airport that is not at the time useful for Airport purposes but is expected to be needed in the future for Airport purposes, as its boundaries are adjusted from time to time. When land in the Land Bank Cost Center becomes useful for Airport purposes other than land bank, it will be transferred out of the Land Bank Cost Center and into an appropriate Cost and Revenue Center.

Landing Fee or Landing Fees shall mean a fee expressed in tenths of a cent per thousand pounds of the Maximum Gross Landed Weight of each type of an Air Carrier's aircraft and shall be multiplied by the total of all Maximum Gross Landed Weight for all Chargeable Landings of each type of aircraft landed at the Airport by each Air Carrier.

Loading Bridges shall mean loading bridges, including pre-conditioned air, ground power/400Hz, potable water, fire bottles, and related infrastructure and equipment used to transport passengers between the Airside Buildings and an aircraft and other devices, if any, to assist with passenger boarding onto and deplaning from aircraft.

Maximum Gross Landed Weight shall mean the maximum gross certificated landing weight in one thousand-pound units for each type of aircraft operated at the Airport, as certificated by the FAA.

MUFIDS shall mean the Authority's compatible multi-user flight information display systems.

Non-Revenue Landing shall mean any aircraft landing by an Air Carrier at the Airport for a flight for which such Air Carrier receives no revenue, and shall include irregular and occasional ferry or emergency landings, which shall include any flight that, after having taken off from the Airport and without making a landing at any other airport, returns to land at the Airport because of meteorological conditions, mechanical, or operating causes, or any other reason of emergency or precaution.

Non-Signatory Airline shall mean an Air Carrier that is not a party to an active Space Rental Agreement or an active lease of space in the Cargo Cost and Revenue Center. Non-Signatory Airlines will not participate in year-end settlement and are not eligible for revenue sharing under this Resolution.

Non-Signatory Premium shall mean an additional charge of five percent (5%) of Airline Fees and Charges, other than the FIS Fee.

Office and Club Premises shall mean those portions of the Terminal Complex assigned by the Authority to a Signatory Airline in which such Signatory Airline has a power, privilege, or other right authorized under such Signatory Airline's Space Rental Agreement to exclude another Person from enjoying or exercising a like power, privilege, or other right.

Operating Agreement for Ground Handlers shall have the meaning set forth in Section 6.4 of this Resolution.

Operating Expenditures ("***O&M Expenditures***") shall mean all Operating Expenses, excluding any reimbursements or grants received from governmental entities to offset Operating Expenses, plus all capital expenditures with a unit cost less than $100,000 for the cost of moveable equipment consisting of, but not limited to, fire-fighting equipment, trucks, tractors and automotive equipment and other similar moveable equipment and for the purpose of paying the cost of rebuilding, reconstructing, altering, replacing and renewing the facilities of the Airport System, and construction and acquisition of improvements to capital assets of the Airport System.

Operating Expenses shall mean the expenses, paid or accrued, of operation, maintenance, and ordinary repairs of the Airport System and shall include, without limiting the generality of the foregoing, insurance premiums, administrative expenses of the Authority relating solely to the Airport System, including engineering, architectural, legal, airport consultants, and accounting fees and expenses, and fees and expenses of any trustee or paying agent under the Trust Agreement, the Subordinated Trust Agreement or Other Financing Document, and such other reasonable current expenses as shall be included in generally accepted accounting practices utilized for airports operating as an enterprise fund. Operating Expenses shall not include any allowance for depreciation or renewals or replacements or obsolescence of capital assets of the Airport System, or any operating expenses of Special Facilities where the lessees thereof are obligated to pay such operating expenses.

Operating Reserve Requirement ("***O&M Reserve Requirement***") shall mean the Trust Agreement requirement that a reserve be created and maintained at an amount at least equal to one-sixth of the annual budget then in effect for Operating Expenses.

Other Debt Service shall mean any principal, interest, premium, make-whole and other fees and amounts, either paid or accrued, on Other Indebtedness of the Authority.

Other Financing Documents shall mean and include the Subordinated Trust Agreement and the financing documents executed by the Authority in connection with the issuance or incurrence of Other Indebtedness.

Other Indebtedness shall mean any debt incurred by Authority for Airport System purposes which is outstanding and not authenticated and delivered under and pursuant to the Trust Agreement. Other Indebtedness shall include, without limitation, amounts outstanding under revolving credit facilities executed by the Authority from time to time.

Passenger Facility Charge ("***PFCs***") shall mean the fees authorized by 49 USC § 40117 and regulated by 14 CFR Part 158 as such statute and regulations exist on the Effective Date or as they may be subsequently amended, and as approved by the FAA for collection by Air Carriers on behalf of the Authority from eligible Enplaned Passengers in accordance with a record of decision or final agency decision issued by the FAA, and interest, profits and other income derived from the investment thereof.

Passenger Transfer System shall mean the passenger transfer equipment and facilities, including the stations located in the Terminal Building and the Airside Buildings, and the exit areas in the Airside Buildings, as modified by the Authority from time to time.

Passenger Transfer System Cost and Revenue Center shall mean and include all direct and indirect Costs and operating Revenues for the Passenger Transfer System. The costs of the Passenger Transfer System will be calculated in accordance with Section 9.1.

Passenger Transfer System Fee shall mean the fee for use of the Passenger Transfer System calculated as provided in Section 9.1(D) hereof.

Payment Security shall mean an acceptable bond, irrevocable letter of credit or other similar security acceptable to Authority in an amount equal to the estimate of three (3) months' fees, tax assessments, and charges (excluding PFCs), payable by Air Carrier under this Resolution, to guarantee the faithful performance by Air Carrier of its obligations under this Resolution and the payment of all fees, tax assessments, and charges due under this Resolution.

Person means a firm, association, partnership, limited liability company, trust, corporation, and other legal entities, including Governmental Authorities, as well as a natural person.

Per Use Gate Fee shall mean a per Turn fee payable by an Air Carrier for the right to use a gate assigned to an Air Carrier for the processing of passengers and baggage, as established from time to time by the Authority based on calculations set forth in Section 9.1(H).

Per Use Ticket Counter Fee shall mean a per Turn fee payable by an Air Carrier for the right to use a Per Use Ticket Counter assigned to an Air Carrier for the processing of passengers

and baggage for a departing flight, as established from time to time by the Authority based on calculations set forth in Section 9.1(G).

Per Use Gates shall mean those Gates and Related Terminal Area that are not occupied on a preferential use basis by a Signatory Airline, the use of which is assigned to Air Carriers by the Authority pursuant to the Authority Rules and Regulations. The Authority reserves the right to maintain as many Gates and as much Related Terminal Area, such as ticket counters, and ticket and baggage services offices, as it may deem necessary or desirable for common use by Air Carriers operating at the Airport.

Per Use Ticket Counter shall mean Ticket Counters that are not occupied on a preferential use basis by a Signatory Airline, the use of which is assigned to Air Carriers by the Authority pursuant to the Authority Rules and Regulations. The Authority reserves the right to maintain as many Per Use Ticket Counters as it may deem necessary or desirable for common use by Air Carriers operating at the Airport.

Preferential Use Premises shall mean those portions of the Terminal Complex and Terminal Aircraft Aprons assigned to a Signatory Airline by the Authority pursuant to a Space Rental Agreement to which such Signatory Airline shall have priority over other users, subject to the terms and conditions of this Resolution, the Rules and Regulations and the Space Rental Agreement.

Public Space shall mean all utility rooms, ductways, janitorial rooms and closets, stairways, hallways, space in the Terminal Complex appurtenant to a Signatory Airline's Office and Club Premises and used in common with one or more other Signatory Airlines, elevators, escalators, entrance-ways, public or common use lobbies and areas, public toilet areas, and other areas used for the operation, maintenance, or security of the Terminal Complex, excluding Joint Use Premises.

Recognized Net Investment shall mean Authority's cost of an improvement, equal to or greater than $100,000, or an acquisition made on or for the Airport System (including without limitation the cost of construction, testing, architects' and engineers' fees, consultants' fees, construction management fees, attorneys' fees and costs, inspection and surveillance by Authority's engineer, condemnation, relocation expenses, and brokers' fees), reduced by the amount of any Federal or State grant received by Authority therefor and by any PFCs or CFCs applied to pay the costs thereof and shall be considered Recognized Net Investment beginning in the Fiscal Year in which the improvement or acquisition is completed or placed in service.

Redemption Account shall mean the account created by the Trust Agreement and the Subordinated Trust Agreement to be used for the retirement of Bonds and Subordinated Indebtedness.

Related Terminal Area shall mean that portion of the Terminal Complex reasonably necessary to conduct airline operations at a Gate and shall include, without limitation, upper level and lower level Terminal Building access for persons, Loading Bridges, passenger hold rooms, check-in counters, the Joint Use Premises, and rights of access to terminal passenger facilities, in each case associated with such Gate.

Rentable Square Feet with respect to the Terminal Complex shall mean the number of square feet of space in the Terminal Complex that is rentable to tenants.

Return on Authority Investment shall mean the return on Recognized Net Investment made by the Authority after September 30, 1999 with Authority funds (*i.e.*, not Bond proceeds; not proceeds from insurance resulting from casualty damage to or destruction of improvements to the Airport System; not Federal or State grant funds; and not PFCs or CFCs) for new capital improvements to or acquisitions for the Airport System equal to the total of the annual amortization of the amount of each item of Recognized Net Investment over the following timeframe: (i) for Capital Projects completed on or after the Effective Date, the recovery period will be the reasonably estimated useful life thereof as determined by the Authority or (ii) for Capital Projects completed before the Effective Date, the recovery period will be twenty-five years, in principal and interest amounts which together represent equal annual payments, with interest computed at Authority's True Interest Cost for the Fiscal Year of acquisition or completion of the Capital Project.

Revenue Fund shall mean that fund for the deposit of all Revenues, as defined under the Trust Agreement, derived from the operation of the Airport System.

Revenue Landing shall mean any aircraft landing by an Air Carrier at the Airport for which such Air Carrier receives revenue.

Revenues shall mean all income accrued by Authority in accordance with generally accepted accounting practices utilized by airports operating as an enterprise fund, including investment earnings, from or in connection with the ownership or operation of the Airport System or any part thereof, or the leasing or use thereof. Proceeds received from litigation or other dispute resolution, whether settlement, award or judgment, insurance proceeds, and proceeds of Bonds, Subordinated Indebtedness or Other Indebtedness, PFCs and CFCs and the interest earned therefrom shall be excluded from the calculation of Revenues.

Roads and Grounds Cost Center shall mean and include all direct and indirect Costs for all roads on the Airport and the landscaping and facilities provided therefor, as defined by the Authority from time to time. The Roads and Grounds Cost Center shall be allocated to the Cost and Revenue Centers based upon the following percentages: Airfield – 5%, Terminal Complex – 35%, Commercial Landside – 45%, Cargo – 5%, General Aviation – 5% and Other – 5%, or such other allocation as may be justified by changes in operations or use after the Effective Date.

Rules and Regulations shall mean the lawful rules and regulations governing the conduct and operation of the Airport promulgated from time to time by the Authority pursuant to Applicable Laws including, without limitation, the Authority's duly adopted and generally applicable Policies, Operating Directives, Standard Procedures, Ordinances, and the Airport Security Plan, in each case as such may be in force and as amended from time to time.

SIDA shall mean that portion of the Airport designated by the Authority from time to time as the Security Identification Display Area.

Signatory Airline shall mean a passenger Air Carrier that is a party to an active Space Rental Agreement for space within the Terminal Complex or an all-cargo Air Carrier that is a party to an active lease of space in the Cargo Cost and Revenue Center in the form prescribed by the Authority, either of which incorporates the terms and conditions of this Resolution.

Solid Waste shall mean:

1. any waste that is or becomes defined as a "solid waste", "waste", "special waste", "garbage", or "commercial solid waste" under any Environmental Law, including but not limited to, the rules of the Florida Department of Environmental Protection, specifically Chapter 62-702, FAC; or

2. any waste requiring special handling and management, including but not limited to, white goods, waste tires, used oil, lead-acid batteries, construction and demolition debris, ash residue, yard trash, biological wastes, and mercury-containing devices and lamps; or

3. any waste that is not a Hazardous Substance and that is not prohibited from disposal in a lined landfill under Rule 62-701.300, FAC; or

4. yard trash, construction and demolition debris, processed tires, asbestos, carpet, cardboard, paper, glass, plastic, or furniture other than appliances.

Space Rental Agreement shall mean an agreement in the form prescribed by the Authority between the Authority and a Signatory Airline granting such Signatory Airline the right to occupy and operate within the Airline Premises designated in such Space Rental Agreement.

Special Facility shall mean a building or facility at the Airport, or an improvement to such building or facility, or portion thereof, constructed, installed, equipped, or acquired with: (i) the proceeds of the sale of obligations (other than Bonds) issued by the Authority; (ii) other funds provided by the user or developer thereof or by any other person; or (iii) a combination of the foregoing items (i) and (ii).

STA shall mean Security Threat Assessment.

Standard Holdroom Square Footage shall mean a uniform measurement used for the sole purpose of calculating certain fees payable hereunder of three thousand (3,000) Rentable Square Feet for each holdroom located within the Airside Buildings; provided, however, that if the average size of a holdroom changes due to construction completed after the Effective Date, such uniform measurement may be modified to reflect any such changes.

State shall mean the State of Florida.

Subordinated Indebtedness shall mean any bonds or other financing instrument or obligation subordinate to the Bonds, issued pursuant to any Subordinated Trust Agreement.

Subordinated Trust Agreement shall mean a trust agreement subordinated to the Trust Agreement authorizing the issuance by Authority of Subordinated Indebtedness, as such may be supplemented or amended from time to time.

Substantial Completion shall mean the date on which Authority's architects and/or engineers certify any premises at the Airport to be substantially complete so as to permit use and occupancy by an Air Carrier or other Person.

Tenant Work Permit ("***TWP***") Program shall mean the program adopted by the Authority, as amended from time to time, setting forth requirements for undertaking any improvements by a tenant of the Authority or other occupant at the Airport.

Terminal Aircraft Aprons shall mean those areas of the Airport that are designated for the parking of passenger aircraft and the loading and unloading of passenger aircraft and, as approved by the Authority, parking of GSE.

Terminal Building shall mean the passenger terminal building, remote baggage sort buildings, the baggage make-up area in the Airside Buildings, and the mechanical and electrical service building, excluding the Airside Buildings.

Terminal Building Cost and Revenue Center shall mean and include all direct and indirect Costs and operating Revenues for the Terminal Building.

Terminal Complex shall mean the Terminal Building and the Airside Buildings connected by means of the Passenger Transfer System, together, as they and any other passenger handling facilities exist at the Airport prior to and after completion of any improvements or expansion.

Terminal Facility Fees shall mean the Airline Fees and Charges established by the Authority for the use of space within the Terminal Complex by Air Carriers, including the Airside Buildings Rental Rate, the Terminal Building Rental Rate, the Baggage Handling System Fees, Per Use Gate Fees, Per Use Ticket Counter Fees, Passenger Transfer System Fees, Airline Terminal Support Fees, and fees for use of Joint Use Premises, as identified in Section 9.1.

Terminal Rental Rate shall mean the rate per Rentable Square Foot of space in the Terminal Building, calculated as set forth in Section 9.1(B) hereof.

Ticket Counter shall mean each ticket counter position within the Terminal Building usable by an Air Carrier for the processing of passengers and baggage for a departing flight, including the ticket counter itself, plus queuing space and space behind the ticket counter position.

True Interest Cost shall mean the Bond Buyer's 25 Revenue Bond Index as of September 30th of the previous Fiscal Year.

Trust Agreement shall mean the Senior Codified and Restated Trust Agreement dated November 7, 2018, as supplemented, amended and recodified from time to time, authorizing the issuance by the Authority of Bonds with respect to the Airport System.

Transportation Security Administration ("***TSA***") shall mean the Transportation Security Administration created under the Aviation and Transportation Security Act ("***ATSA***"), Public Law 107-71 of 2001, as amended, or any successor agency thereto.

Turn shall mean a single inbound and outbound flight operation, for which an Air Carrier uses a Per Use Gate and appurtenant Related Terminal Area, facilities, and/or equipment.

Additional words and phrases used in this Resolution but not defined herein shall have the meanings as defined under the Trust Agreement or, if not so set forth, shall have their usual and customary meaning.

5.2 Interpretation.

References in the text of this Resolution to Articles, Sections, or Exhibits pertain to Articles, Sections or Exhibits of this Resolution, unless otherwise specified.

A. The terms "hereby," "herein," "hereof," "hereto," "hereunder," and any similar terms used in this Resolution refer to this Resolution.

B. Any headings preceding the text of the Articles and Sections of this Resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Resolution, nor shall they affect its meaning, construction, or effect.

C. Words importing the singular shall include the plural and vice versa.

D. Where the approval of the Authority is required under this Resolution, the written approval of the CEO shall be required to evidence such approval.

ARTICLE 6
USES, RIGHTS AND PRIVILEGES

6.1 Use of the Airport.

Subject to and consistent with the terms of this Resolution, including but not limited to the restrictions contained in Section 6.3, the requirements set forth in Section 7.1, and the Rules and Regulations, Air Carriers may conduct their Air Transportation Business at the Airport and by conducting its Air Transportation Business at the Airport, each Air Carrier operating at the Airport agrees to comply with all terms, conditions, and requirements of this Resolution. As provided in this Resolution, Air Carriers may use, in common with others so authorized, the Per Use Gates and Related Terminal Area, Joint Use Premises and Public Space of the Airport (including the Airfield); and perform all operations and functions as are connected, incidental or necessary to an Air Carrier's Air Transportation Business at the Airport, including, but not limited to, the following rights:

A. To land, take off, fly over, taxi, tow, park, repair, maintain, service, test, store, load, and unload an Air Carrier's aircraft and other equipment used in the operation of

such Air Carrier's Air Transportation Business, including, but not limited to, the right to load and unload an Air Carrier's aircraft through the Loading Bridges, in accordance with Authority direction, or as otherwise approved by the Authority; provided, however, that major maintenance of aircraft and routine servicing or maintenance of ground equipment on the Terminal Aircraft Apron is not permitted, unless specifically authorized by the Authority, and Air Carriers shall not use the Terminal Aircraft Apron to load or unload all-cargo aircraft unless otherwise authorized in writing by the Authority.

B. To sell air transportation tickets and services; process passengers and their baggage for air travel; and to sell, handle, and provide mail, freight, cargo, and express services, and reasonable and customary airline activities.

C. Of ingress to and egress from the Airport including, without limitation, a Signatory Airline's Airline Premises, and such right shall extend to each Air Carrier's Airline Parties and its customers and invitees, and its or their equipment, vehicles, machinery and other property, subject to 49 CFR Part 1542, the Authority's Airport Security Plan, and Applicable Laws relating to: (i) the general public, including passengers; (ii) access to non-public areas at the Airport by Airline Parties; and/or (iii) safety and security.

D. To train an Air Carrier's employees or prospective employees, and to test its aircraft and other equipment being utilized at the Airport in areas designated or approved by the Authority; provided, however, such training and testing must be incidental to the use of the Airport in the operation by an Air Carrier of its Air Transportation Business and shall not unreasonably hamper or interfere with the use of the Airport and its facilities by others. The Authority may restrict or prohibit any such training and testing operations that it deems to interfere with the use of the Airport.

E. To sell, lease, transfer, dispose of, or exchange an Air Carrier's aircraft, engines, accessories, parts, gasoline, oil, grease, lubricants, fuel, propellants, and all other materials, equipment, supplies, and articles or goods used by, acquired in connection with, or incidental to an Air Carrier's Air Transportation Business at the Airport; provided, however, that an Air Carrier may not, and shall cause its agents not to, sell or permit to be sold, aviation fuels or propellants except (i) to any Air Carrier that is a successor company to such Air Carrier; (ii) for use in aircraft of others that are being used solely in the operation of such Air Carrier's Air

Transportation Business, including, but not limited to, such Air Carrier's Affiliates; (iii) when a comparable grade and type of fuel desired by others is not available at the Airport except from such Air Carrier; or (iv) in accordance with sales of fuel through the Airport's fuel hydrant system, to the extent the Authority has authorized by an agreement one or more Air Carriers or an entity owned or controlled by one or more Air Carriers to operate the fuel flowage, storage, and distribution system at the Airport.

F. To purchase or otherwise obtain services and personal property of any nature, including, but not limited to, aircraft, engines, accessories, parts, gasoline, oil, grease, lubricants, fuel, propellants, food, beverages, including food and beverages for consumption aloft, passenger supplies, and all other materials, equipment, supplies, and articles or goods used by, acquired in connection with, or incidental to, an Air Carrier's Air Transportation Business at the Airport, from any person it may choose, wherever such person may be located, subject to the Rules and Regulations; and subject to the Authority's right to require that each provider of services and/or supplies secures a permit from the Authority to conduct such activity at the Airport, pays required fees, and abides by the Rules and Regulations.

G. Subject to the prior approval of the CEO and the Federal Communications Commission and subject to the Authority's Tenant Work Permit Program, to install, maintain, and operate, alone or in conjunction with any other Air Carrier, or through a nominee, such radio (including radio frequency identification ("***RFID***") devices and beacons), communications, flight information display systems, meteorological and aerial navigation equipment, and associated wiring, as may be necessary or convenient for an Air Carrier's Air Transportation Business at the Airport, in or on a Signatory Airline's Airline Premises, and at other locations at the Airport; provided, however, that each Air Carrier shall provide to the Authority, if requested, electronic flight arrival and departure information through such Air Carrier's systems and shall cooperate with the Authority's installation of centralized and remote flight information displays; and provided, further, that if the spectrum frequencies of such devices interfere with those of the Authority, other Air Carriers or other parties operating at the Airport, the CEO shall have the sole right to allocate the use of such frequencies in his or her sole discretion; and provided, further, that (i) such installations and the subsequent use of such equipment shall be subject to Applicable Laws; and (ii) the location of all such equipment and facilities shall be determined by the Authority in its exclusive but reasonable

discretion taking into account the operations of all Air Carriers at the Airport. Should an Air Carrier install any type of radio transceiver or other wireless communications equipment, such Air Carrier will provide frequency protection within the aviation air/ground VHF frequency band and the UHF frequency band in accordance with restrictions promulgated by the FAA for the vicinity of FAA Transmitter or Receiver facilities. Frequency protection will also be provided for all other frequency bands operating in the vicinity of such Air Carrier's equipment. Should interference occur because of an Air Carrier's installation, the Authority reserves the right to shut down such Air Carrier's installation until appropriate remedies to the interference are made by such Air Carrier. Such remedies may include, but are not limited to, relocation to another site. The cost of all such efforts to remedy the interference will be solely at such Air Carrier's expense. Subject to the Rules and Regulations, a Signatory Airline may install in the holdroom of its Preferential Use Premises, with the Authority's prior written consent, such Signatory Airline's GIDS. The Authority shall have unrestricted access to all communication equipment owned or used by an Air Carrier, if any, whether located on its Airline Premises or elsewhere at the Airport if the Authority equipment or systems interface with such equipment. Prior to any such installation, an Air Carrier shall provide the Authority with all necessary supporting documentation related to such installation. All Air Carriers are required to use the Authority's MUFIDS.

H. To use water, sewer, electric power, telephone, data, preconditioned air systems, and other utilities supplied by the Authority from time to time.

I. To use the areas designated as Air Carrier employee parking facilities for the parking of its employees' vehicles pursuant to an operating agreement, lease, or other arrangement containing such reasonable terms and conditions as the Authority and each Air Carrier shall mutually agree upon and the payment of any reasonable fees required pursuant to such arrangement.

J. To purchase, keep, and install, and in any event to use and maintain, at the areas designated by the Authority as an Air Carrier's GSE parking facilities (which may include a Signatory Airline's Preferential Aircraft Parking Positions, if any), mobile devices for the loading, unloading and general servicing of an Air Carrier's aircraft, air start systems, and other miscellaneous aircraft and aircraft-related support equipment, pursuant to an operating agreement, lease, or other arrangement containing such reasonable terms and conditions as the Authority and each Air

Carrier shall mutually agree upon and the payment of any reasonable fees required pursuant to such arrangement.

K. To use the Airport fuel system for the purpose of storing and dispensing fuel pursuant to such reasonable terms and conditions as the Authority or Tampa Airport Fuel Committee that operates the fuel system may establish.

L. Subject to the Authority's design standards for the Airport and the Tenant Work Permit Program, if applicable, as the same may from time to time be adopted, amended, or altered, to install, maintain, and use signs in a Signatory Airline's Office and Club Premises or Preferential Use Premises, including installation of such Signatory Airline's logo on the walls behind ticket counters and check-in counters in holdrooms at Signatory Airline's Preferential Use Premises. Notwithstanding the foregoing, in a Signatory Airline's Office and Club Premises not visible from public areas, such Signatory Airline shall be permitted to install such signs as it desires so long as the Signatory Airline complies with Applicable Laws and the Authority's design standards for the Airport, as in effect from time to time.

M. To operate and maintain in a Signatory Airline's Office and Club Premises, if any, passenger clubs and lounges; provided, however, that if a Signatory Airline shall engage in the sale of goods or services or charge an entrance fee at such club or lounge, such Signatory Airline shall pay to the Authority, in addition to all other fees and charges payable hereunder, a concession fee equal to the amount of gross sales at such club or lounge multiplied by the rate equivalent to the applicable concession fee rate (including any incremental percentage fees) being paid to the Authority or its third party concession manager by any concessionaire for similar sales at the Airport.

N. To install, maintain, and operate in a Signatory Airline's Office and Club Premises or Preferential Use Premises only in areas not accessible to the general public, vending machines dispensing food and beverages and other merchandise for consumption by such Signatory Airline's employees; provided, however, that if such machines or equipment require electrical power or other utilities not serving the Office and Club Premises or Preferential Use Premises on the Commencement Date, the Signatory Airline shall be responsible for any utility upgrades necessary to service such machines or equipment.

O. To install, maintain, and operate, in a Signatory Airline's Office and Club Premises or Preferential Use Premises subject to the Authority's design standards for the Airport and the Tenant Work Permit Program, if applicable, customer relations, security, waiting room, baggage, cargo, mail handling, and storage facilities and equipment; reservations, administrative, and operations offices; and lockers, restrooms, and related facilities for its employees; provided, however, that if such machines, equipment, or facilities require electrical power or other utilities not serving the Signatory Airline's Office and Club Premises or Preferential Use Premises on the Commencement Date, such Signatory Airline shall be responsible for any utility upgrades necessary to service such machines, equipment, or facilities.

P. To provide, either alone or in conjunction with others, or through a nominee, porter/sky cap service for the convenience of the public.

6.2 Exercise of Rights by and for Third Parties.

A. Only in accordance with Section 6.4 with respect to an Operating Agreement for Ground Handlers, and subject to the provisions of Section 6.2(B), the rights and privileges granted to an Air Carrier pursuant to this Article 6 may be exercised on behalf of an Air Carrier by other Air Carriers or Ground Handlers, and an Air Carrier may exercise on behalf of any other Air Carrier providing air transportation to and from the Airport, any of the rights granted to an Air Carrier herein.

B. If at any time, the CEO shall reasonably determine that some or all Air Carriers or Ground Handlers exercising the rights and privileges granted pursuant to this Article 6 are exercising such rights and privileges (i) in a manner which interferes with the operation or maintenance of the Airport; (ii) which adversely affects the health or safety of the public or other users of the Airport; or (iii) which fails to comply with the Authority Rules and Regulations or terms of this Resolution, the CEO shall notify the applicable Air Carriers of such determination, which notice shall include such information as may be necessary for the applicable Air Carriers to verify such determination. Each applicable Air Carrier shall promptly commence and diligently pursue action necessary to correct the conditions or actions specified in such notice. If such conditions or actions are not corrected within thirty (30) calendar days (or immediately if the Authority determines that such conditions or actions adversely affect health or safety) after receipt of such notice or if such conditions or actions cannot be corrected within such period and the applicable Air

Carriers have not promptly commenced and diligently pursued all such corrective action which could be taken within such period, then upon the request of the CEO, the applicable Air Carriers shall terminate such arrangements or agreements. For purposes of this Section 6.2(B), the term "applicable Air Carriers" or "applicable Air Carrier" refers to those Air Carriers (or specific Air Carrier) whom the Authority has identified as exercising rights and privileges hereunder in a manner set forth in clauses (i) – (iii) above.

6.3 Restrictions.

A. The grant of rights and privileges hereunder does not authorize an Air Carrier to conduct a separate business at the Airport but permits an Air Carrier to conduct such activities only insofar as they are reasonably necessary or incidental to or connected with the conduct of such Air Carrier's Air Transportation Business at the Airport and to the conduct of an Operating Agreement for Ground Handlers approved pursuant to Section 6.4.

B. Except as to rights specifically set forth in Section 6.1, nothing contained herein is intended or shall be construed to authorize or permit an Air Carrier to compete with any of the Authority's authorized concessionaires, Airport parking facilities, rental car companies, or other ground transportation providers operating at the Airport.

C. The CEO may, from time to time, temporarily or permanently close roadways, taxiways, taxi lanes, runways, apron areas, doorways, and any other area at the Airport as necessary to maintain, improve, construct, or repair such facilities, or for safety reasons; provided, however, that, unless an emergency situation exists, the Authority shall use diligent efforts to minimize and schedule closings in order to minimize the disruption of services being provided and operations of Air Carriers, and it shall use commercially reasonable efforts to provide alternative means of ingress and egress and other facilities necessary for the Air Carriers' operations.

D. The Authority has the right to restrict the use by an Air Carrier of Terminal Aircraft Apron space. The Authority has the right to charge a reasonable fee for aircraft parking on such Terminal Aircraft Apron space.

E. The Authority will require the execution of a Space Rental Agreement or other agreement between the Authority and a Signatory Airline for the right to use space and/or ground area at the Airport other than Per Use Gates and Related Terminal Area.

F. Except in the Air Carrier's clubs, an Air Carrier may not conduct or permit the sale or other distribution of food or beverages to passengers in the Terminal Complex, except as expressly provided in this Resolution, without the approval of the CEO; provided, however, that in the event of irregular operations causing flight delays, an Air Carrier may provide snacks and nonalcoholic beverages to its customers without cost; provided, however, that if such privilege is abused in the sole judgment of the CEO, such privilege may be withdrawn.

G. No Air Carrier shall knowingly interfere or permit interference by its Airline Parties, customers, or invitees with the use, operation, or maintenance of the Airport, including but not limited to, the effectiveness or accessibility of the drainage, sewage, water, communications, fire protection, utility, electrical, or other systems installed or located from time to time at the Airport; and no Air Carrier shall engage in any activity prohibited by the Authority's noise abatement procedures.

H. As soon as reasonably possible after an Air Carrier's disabled aircraft is released from the control or jurisdiction of all applicable Governmental Authorities, such Air Carrier shall remove (or cause the lessor of an aircraft to remove) any such disabled aircraft from the Airfield and Terminal Aircraft Apron, and shall place and store any such disabled aircraft only in such storage areas and upon terms and conditions as may be reasonably approved by the Authority. In the event a disabled aircraft is not removed as expeditiously as is reasonably possible, the Authority may, following reasonable notice to such Air Carrier, but shall not be obligated to, cause the removal of such disabled aircraft in accordance with Applicable Law.

I. No Air Carrier may keep or store flammable liquids within any covered or enclosed portion of the Airport without the prior written approval of Authority. Any such liquids having a flash point of less than 110 degrees Fahrenheit must be kept and stored in safety containers of a type approved by Underwriters Laboratories.

J. No Air Carrier may create or permit to be caused or created within the Airport any obnoxious odor, smoke, or noxious gases or vapors. The creation of exhaust fumes by the operation of internal-combustion engines or engines of other types, so long as such engines are maintained and are being operated in a proper manner, will not be a violation of this Resolution.

K. Parking or storage of aircraft or GSE at an aircraft apron that in any way interferes with Airport operations, including the movement of passengers, cargo, or other aircraft, is prohibited. An Air Carrier must remove aircraft or GSE within forty-five (45) minutes of notification by the Authority of its determination that: (i) an emergency exists requiring removal of said aircraft or GSE; (ii) said aircraft or GSE is interfering with Airport operations or the movement of passengers, cargo, or other aircraft; or (iii) the aircraft apron is required for temporary access by another Air Carrier, provided that the Authority has first determined that other suitable aircraft apron space is not available. An Air Carrier may park and store GSE owned by such Air Carrier, it's Affiliate(s), or any subcontractor to such Air Carrier which holds a valid Operating Agreement for Ground Handlers from the Authority and with whom the Air Carrier contracts to provide airside services. No vehicle owned or operated by an Air Carrier or any Airline Party shall access the AOA unless directly related to an Air Carrier's Air Transportation Business. All vehicles driven, escorted, or parked on the AOA must meet the Authority's insurance requirements and comply with the Rules and Regulations. All Air Carrier vehicles, including those of all Airline Parties, excluding escorted vehicles, accessing the AOA must bear such Air Carrier's identification on both sides of the vehicle, identifiable from a distance of fifty (50) feet. An Air Carrier's vehicles must also display the Authority's movement area permit decal. Each Air Carrier shall verify that all of its Airline Parties who operate motorized vehicles on Airport property have a valid driver's license. Each Air Carrier must provide evidence in writing of such verification within fifteen (15) days of written request by Authority. If an Air Carrier fails to provide verification or if an Airline Party is found to be driving on Airport property without a valid driver's license, the Authority may revoke the offending driver's ID Media and may assess a monetary penalty against the Air Carrier employing such Airline Party of up to $1,000 per occurrence. Said penalty will be due and payable within fifteen (15) days' notice of invoice for the same. On a quarterly basis, each Air Carrier shall conduct an audit of the status of the driver's licenses of its Airline Parties that operate motorized vehicles on Airport Property to ensure that they possess a valid driver's license. Such audits shall be provided to Authority upon fifteen (15) days' written request by Authority.

L. All rights not otherwise expressly granted to the Air Carriers pursuant to Section 6.1 are hereby reserved to the Authority.

M. Any construction activities undertaken at the Airport by a tenant or occupant other than the Authority not described in Article 6 shall be subject to the Tenant Work Permit Program.

6.4 <u>Operating Agreement for Ground Handlers</u>.

A. If an Air Carrier is conducting an Air Transportation Business at the Airport, subject to the Authority's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed, an Air Carrier may enter into an agreement (each an "***Operating Agreement for Ground Handlers***") to use all public areas of the Airport which such Air Carrier has a right to use in common with others for the handling by such Air Carrier's personnel of the Air Transportation Business of any other Air Carrier using the Airport to the same extent as they may be used for the Air Transportation Business of such Air Carrier, or handling by the personnel of any third party service provider (a "***Ground Handler***") holding an Operating Agreement for Ground Handlers with the Authority to provide the services requested by an Air Carrier; provided, however, that a handling Air Carrier shall remain liable for all of its and the handled Air Carrier's obligations hereunder.

B. In the event an Air Carrier handles any other Air Carrier and such handled Air Carrier is not an Affiliate of the handling Air Carrier, such handling Air Carrier must (i) collect, on behalf of the Authority, and submit to Authority, all applicable Airline Fees and Charges as determined by the Authority and, (ii) as consideration for the privilege of being allowed to handle such Air Carrier, the handling Air Carrier will pay to the Authority a monthly privilege fee as set forth in the Operating Agreement for Ground Handlers or as otherwise established by the Authority from time to time.

6.5 <u>Affiliates</u>.

If an Air Carrier is conducting an Air Transportation Business at the Airport, subject to the Authority's prior written approval, such Air Carrier may utilize one or more Affiliates and allow such Affiliates to conduct its Air Transportation Business at the Airport; to use, in common with others so authorized, the Joint Use Premises and Public Space of the Airport (including the Airfield), in addition to a Signatory Airline's Airline Premises, if any; and to perform all operations and functions as are connected, incidental or necessary to such Air Carrier's Air Transportation Business at the Airport.

ARTICLE 7
<u>OBLIGATIONS OF AIR CARRIERS</u>

7.1 <u>Air Carrier Requirements</u>. As a condition of being permitted to operate its Air Transportation Business at the Airport, each Air Carrier shall comply with the following:

A. Each Air Carrier shall obtain and hold all certificates, permits, licenses, insurance, or other entitlements required by Applicable Laws in order to enable it to conduct its operations and engage in the Air Transportation Business at the Airport, and said certificates, permits, licenses, or other entitlements shall be kept current, valid, and complete throughout the duration of an Air Carrier's operations at the Airport.

B. Except as otherwise provided herein or in the Rules and Regulations, an Air Carrier may obtain supplies or services from suppliers, vendors, or contractors of its own choice for its operations at the Airport; provided that the Authority may license and regulate all persons or companies doing business at the Airport and impose charges for the privilege of conducting any such business and prohibit persons from engaging in aeronautical activities, the provision of ground transportation services, or any commercial activities at the Airport, except in accordance with agreements, concession contracts, permits, or operating agreements entered into between the Authority and such persons.

C. Each Air Carrier shall comply with Applicable Laws relating to Airport security and shall prevent or deter unauthorized persons from obtaining access to the AOA or any other secure area of the Airport. Each Air Carrier shall also take such security precautions as the Authority may, from time to time, reasonably require pursuant to the Rules and Regulations. An Air Carrier shall reimburse the Authority for all fines or charges imposed by any applicable Governmental Authority against the Authority because of such Air Carrier's violation of any Applicable Laws or this Resolution.

D. Each Air Carrier acknowledges that the Terminal Complex is to be used by the traveling public. Air Carriers shall make available space to its passengers and to the traveling public on a nondiscriminatory basis, including ensuring accessible paths of travel for disabled persons, and shall make reasonable efforts to coordinate its activities and operations with abutting tenants and the Authority, so as to maximize efficient use of available space.

E. Air Carriers may not injure, deface, or otherwise harm the Airport or any part thereof in any manner that will constitute waste, and shall not cause or permit any unlawful conduct, unreasonable annoyance, or nuisance to exist at the Airport, nor permit any activity or omission which constitutes or results in unlawful conduct, unreasonable annoyance, or nuisance, nor permit the emission of any objectionable noise, vibration, or odor, nor overload the floor of the Terminal Complex, nor permit any use of the Terminal Complex which will invalidate or increase the premiums on any of the Authority's insurance; provided that the conduct of an Air Carrier's Air Transportation Business in accordance with Applicable Laws shall not be deemed a nuisance or an unreasonable annoyance.

F. Each Air Carrier shall use all paved areas on the Airport as constructed and in accordance with the permitted use of such paved areas, and Air Carriers will prohibit their Airline Parties from placing excessive loads on paved areas on the Airport. An Air Carrier will be responsible for the repair of any paved area damaged by non-conforming usage or excessive loading by such Air Carrier or its Airline Parties.

G. Each Air Carrier shall participate in any lawful Airport-wide programs or initiatives of general applicability as the Authority may require upon notice to such Air Carrier, provided such program or initiative shall not result in any material cost or expense or result in any undue burden to such Air Carrier.

H. Each Air Carrier shall have a fully qualified and experienced manager assigned to the Airport who will be available at all times (Station Manager). Each Air Carrier will assign a qualified subordinate to be in charge and to act on behalf of the Station Manager in the Station Manager's absence (Acting Station Manager). An Air Carrier operating at the Airport less than daily may designate a Station Manager and/or Assistant Station Manager that is located other than at the Airport. Each Air Carrier will provide Authority with, and update in a timely manner, the contact information for the Station Manager and Acting Station Manager.

I. Each Air Carrier will, to the extent reasonably practicable, control the conduct, demeanor and appearance of all of its Airline Parties, and of those doing business with such Air Carrier and, upon objection from Authority concerning the conduct, demeanor, or appearance of any such persons, will immediately take all reasonable steps necessary to remove the cause of objection.

7.2 Security Badging.

Any Air Carrier employee, or any employee of its contractors or agents, that requires unescorted access to the SIDA must be badged with an ID Media by Authority's ID Badging Department and will be subject to a CHRC and STA. A new or renewed ID Media will not be issued to an individual until the results of the CHRC and STA are completed and indicate that the applicant has not been convicted of a disqualifying criminal offense. If the CHRC or STA discloses a disqualifying criminal offense, the individual's new or renewed ID Media application will be rejected. The costs of the CHRC and STA as established by the Authority from time to time must be paid by Air Carrier. Authority may collect all costs related to badging at the time badging service is provided. All badged employees of an Air Carrier and its contractors or agents must comply with the Authority's regulations regarding the use and display of ID Media. The Authority may require renewal of the ID Media of an Air Carrier's employees, contractors and/or agents at any time. If an Air Carrier's employee, contractor and/or agent fails to comply with renewal requirements, as directed by the Authority, the Authority may suspend the ID Media privileges of that Air Carrier employee, contractor and/or agent.

In order to be permitted to work on Airport property, an employee must have a valid and active ID Media allowing access to that employee's work area. Employees who have their ID Media privileges revoked or suspended may not be escorted on Airport property.

Each Air Carrier will be assessed a fine in an amount established by the Authority from time to time for each ID Media that is lost, stolen, unaccounted for or not returned to the Authority at the time of ID Media expiration, employee termination, termination of its Space Rental Agreement, or upon written request by Authority. This fine will be paid by such Air Carrier within fifteen (15) days from the date of invoice. The Authority may collect this fine at the time it is assessed.

If any Air Carrier employee is terminated or leaves an Air Carrier's employment, the Air Carrier must notify the Authority immediately, and the ID Media must be returned to Authority promptly.

7.3 Airline Property.

The personal property placed or installed by an Air Carrier at the Airport including, but not limited to, trade fixtures and trade equipment, shall remain the property of such Air Carrier and must be removed on or before the termination of such Air Carrier's occupancy of some or all of the Airport at such Air Carrier's sole risk and expense. No Air Carrier may abandon

any of its property at the Airport without the written consent of the CEO. Any damage to the Airport or any portion thereof resulting from such removal shall be paid for by the Air Carrier owning such property. In the event of termination of an Air Carrier's operations at the Airport, such Air Carrier shall have thirty (30) days after such termination during which to remove such property. However, the Authority shall have the right to assert such lien or liens against said property (except for an Air Carrier's aircraft) as the Authority may by Applicable Laws be permitted. So long as any such property remains on the Airport, an Air Carrier's obligation to pay Airline Fees and Charges shall continue.

If an Air Carrier's property is not removed as herein provided, the Authority may, at its option, after written notice to such Air Carrier and at such Air Carrier's sole risk and expense, remove such property to a public warehouse for storage, or retain the same in the Authority's possession, or dispose of the same, in accordance with Applicable Law. The Authority shall not be liable for any damage to or destruction of the property so removed, or any proceeds received from the sale thereof, and the Air Carrier shall reimburse the Authority, promptly on demand, for the net cost of such removal (including any required repair of the Authority's facilities), storage and disposal, all as reasonably determined by the Authority.

7.4 Americans with Disabilities Act and Air Carrier Access Act.

A. Each Air Carrier operating at the Airport shall be solely and fully responsible for ensuring that such Air Carrier's operations, wherever they may occur at the Airport, and any improvements made to the Airport by such Air Carrier, shall at all times comply with the Americans with Disabilities Act, 42 U.S.C. §§12101, *et seq.*, as amended from time to time ("***ADA***"), and the Air Carrier Access Act, 49 U.S.C. §41705, as amended from time to time ("***Access Act***"), including the regulations promulgated under the ADA and the Access Act. If an Air Carrier is found to be in violation of or in non-compliance with the ADA or the Access Act by a Governmental Authority with jurisdiction, such Air Carrier shall develop a work plan to correct any violations or non-compliance with the ADA or the Access Act. Such Air Carrier shall deliver to the Authority, upon Authority's request, a copy of each such report and work plan. The Authority's approval of or acceptance of any aspect of an Air Carrier's corrective work plan shall not be deemed or construed in any way as a representation that such item, activity, or practice complies with the ADA or the Access Act. As a condition of the privilege of operating at the Airport, each Air Carrier operating at the Airport shall indemnify, defend, and hold the Authority harmless from any and all costs incurred by Authority with respect to

such Air Carrier's failure to comply with the ADA or the Access Act for such Air Carrier's operations or any improvements made by such Air Carrier at the Airport.

B. As a condition of the privilege of operating at the Airport, each Air Carrier shall comply in its operations at the Airport, at its own expense, with all Applicable Laws concerning the general area of civil rights, minorities, and accessibility, and the topics dealt with in subparagraph (a) above prescribed or promulgated by any Governmental Authority, whether foreseen or unforeseen or ordinary or extraordinary.

7.5 Policy of Open Access.

The Authority intends to maintain a policy of providing open access to the Airport for Air Carriers and other aeronautical users of the Airport and achieving balanced utilization of Airport facilities. In furtherance of that policy and its stated goals, (a) the Authority shall have control and possession of the Per Use Gates, which may be varied at the discretion of the Authority in accordance with such Signatory Airline's Space Rental Agreement, (b) the Authority reserves the right to require sharing and temporary use of a Signatory Airline's Preferential Use Gates and Related Terminal Area, and (c) the Authority reserves the right to recapture for use on a per Turn basis underutilized Gates and Related Terminal Area in accordance with such Signatory Airline's Space Rental Agreement.

ARTICLE 8
REPORTS AND AUDITS

8.1 Reports.

For the privilege of operating its Air Transportation Business at the Airport, each Air Carrier operating at the Airport must provide the following reports:

A. Contents of Reports. Not later than the tenth (10th) day of each month of each Fiscal Year, each Air Carrier shall complete and file with the Authority, via the Authority's electronic portal or as otherwise directed by the Authority, the following information and data for the previous month:

1. Air Carrier's Revenue Aircraft Arrivals and Maximum Gross Landed Weight of Revenue Aircraft Arrivals;

2. Air Carrier's Enplaned Passengers, Deplaned Passengers and through passengers, with separate accounting for domestic and international and nonrevenue passengers;

3. Revenue Aircraft Arrivals, Enplaned Passengers, Deplaned Passengers, and through passengers, with separate accounting for domestic and international and nonrevenue passengers, and Maximum Gross Landed Weight of aircraft ground handled by Air Carrier and of its Affiliates;

4. The amount of enplaned and deplaned freight, mail and other cargo of or ground handled by Air Carrier;

5. Such information regarding the collection of PFCs as may be required in the FAA's final agency decision;

6. The number of Air Carrier's aircraft utilizing Authority's Per Use Gates on a daily Turn basis and the number of daily uses of Authority's Per Use Ticket Counters;

7. The number of Air Carrier's aircraft parked at designated aircraft parking locations and the number of 2 or more hour periods in each 24 hour period that aircraft were parked at aircraft parking locations;

8. The number of Air Carrier's arriving international passengers using the FIS Facilities; and

9. Such other information as may reasonably be required to be provided by Air Carriers operating at the Airport upon no less than ninety (90) days advance written notice from the Authority to the Air Carriers operating at the Airport.

The Authority may, but shall not be required to, rely on the reports submitted by the Air Carriers operating at the Airport in determining Airline Fees and Charges due hereunder. Acceptance of monthly reports and payments by the Authority does not constitute agreement by the Authority with the activities reported or amounts paid. The Authority may also rely on alternative sources of information, such as FAA statistics and electronic data collection systems, or shall be entitled to approximate such activity information using any sources or methods deemed reasonable by the Authority (e.g., using aircraft seats as a method to estimate passenger information), to determine Airline Fees and Charges due hereunder.

Use of such alternative sources and methods by the Authority shall not relieve any Air Carrier of its reporting obligations. To the extent there is a discrepancy between the information provided by an Air Carrier and information gathered from other sources, the Authority's determination as to the most reliable and accurate information shall be determinative; provided, however, that the Authority shall use reasonable efforts to reconcile any discrepancy. Each Air Carrier shall have full responsibility for the accuracy of its reports. Payment deficiencies due to incomplete or inaccurate activity reports may be subject to interest charges as set forth in this Resolution.

B. Passenger Facility Charge (PFC) Reports.

1. Quarterly Reports. In accordance with 14 CFR §158.65, each Air Carrier will submit quarterly PFC reports to the Authority, providing an accounting of funds collected and funds remitted. Said reports will state the total PFC Revenue collected, the total amount of PFC Revenue refunded to passengers, and the amount of collected revenue withheld by the Air Carrier for reimbursement of expenses in accordance with 14 CFR §158.53. The report must include the dates and amounts of each remittance for the quarter. The report must be submitted on or before the last day of the calendar month following the calendar quarter for which funds were collected.

2. Annual Reports. In accordance with 14 CFR §158.69(b)(3), if an Air Carrier collects PFCs from more than 50,000 passengers annually, it will submit a copy of its PFC account annual audit to Authority no later than six (6) calendar months after the close of the audited period.

8.2 Audits, Inspections, or Attestation Engagements.

A. Notwithstanding the requirement for each Air Carrier to submit periodic reports, as a condition of operating at the Airport, each Air Carrier must allow the Authority or its representative, at any time during normal business hours, to initiate and perform audits, inspections, or attestation engagements of an Air Carrier's records to substantiate Airline Fees and Charges owed to the Authority hereunder or compliance by an Air Carrier with its other obligations and requirements hereunder. Each Air Carrier shall provide free and unrestricted access to such of its books and records, including records of parent, affiliate, and/or subsidiary companies and any subconsultants or subcontractors directly pertinent to its operations at the Airport and that the Authority determines are necessary to substantiate Airline Fees and

Charges owed to the Authority hereunder or compliance by an Air Carrier with its other obligations and requirements hereunder. If such records are kept at locations other than the Airport, such Air Carrier will arrange for said records to be brought to a location convenient to Authority's auditors to conduct the engagement as set forth in this Section, or the Authority's audit team may travel to the Air Carrier's location of records for the purpose of undertaking said engagement and such Air Carrier must pay all reasonable costs of transportation, food, and lodging for the Authority's audit team. In the event an Air Carrier maintains the requested records in electronic format, upon request by the Authority's auditors, the Air Carrier will provide a download or extract of data files in a computer readable format acceptable to Authority at no additional cost. The Authority has the right during the engagement to interview each Air Carrier's employees, subconsultants, and subcontractors and to make photocopies of records as needed. Absent a confidentiality agreement between the Authority and the Air Carrier, nothing contained herein shall impose an obligation upon an Air Carrier to disclose or present for inspection or audit hereunder books, records or other information that may be subject to confidential treatment as a trade secret, as defined under Applicable Laws, of an Air Carrier.

B. Each Air Carrier will deliver or provide access to such records requested by Authority's auditors within fourteen (14) calendar days of the request at the initiation of the engagement and deliver or provide access to all other records requested during the engagement within seven (7) calendar days of each request. The Authority will incur additional costs if records requested by the Authority's auditors are not provided in a timely manner and the amount of those costs is difficult to determine with certainty. Consequently, an Air Carrier may be charged liquidated damages of $100.00, in addition to all other financial requirements, for each item in a records request, per calendar day, for each instance where an Air Carrier submits requested records to perform the engagement after the foregoing deadline. Accrual of the fee will continue each day until such records are delivered.

C. If, as a result of any engagement, it is determined that an Air Carrier owes additional Airline Fees and Charges to the Authority, such Air Carrier must pay such amounts, and the Authority may assess interest as provided in Section 10.11 on the amount due from the date the amount was initially due until it is paid in full. If it is determined that an Air Carrier has underpaid Airline Fees and Charges by three percent (3%) or more for the period under review, such Air Carrier must also pay for the entire cost of the audit engagement. If as a result of any engagement,

it is established that an Air Carrier has over-reported Airline Fees and Charges or has paid Airline Fees and Charges greater than the sum due, the Authority shall refund to such Air Carrier any such overpayment.

D. Each Air Carrier operating at the Airport must comply with Section 20.055(5), Florida Statutes, cooperate with any investigation by the State Office of Inspector General, and must incorporate in all subcontracts the obligation to comply with Section 20.055(5), Florida Statutes.

ARTICLE 9
CALCULATION OF AND CHANGES TO AIRLINE FEES AND CHARGES

9.1 Calculation of Airline Fees and Charges. Airline Fees and Charges for any period shall be calculated as set forth below. All Airline Fees and Charges charged to a Non-Signatory Airline shall include the Non-Signatory Premium in addition to such Airline Fees and Charges.

A. Landing Fee Calculation. The Landing Fee shall be calculated on a residual basis as set forth in this Section 9.1(A). The Landing Fee per thousand pounds of landed weight for Signatory Airlines for any period shall be equal to the following:

1. All Costs allocable to the Airfield Cost and Revenue Center for such period, plus

2. That portion of Costs allocable to the Administrative Cost Center for such period allocable to the Airfield Cost and Revenue Center, plus

3. That portion of Costs allocable to the Roads and Grounds Cost Center for such period allocable to the Airfield Cost and Revenue Center, minus

4. Any Revenues received from any Person other than a Signatory Airline allocable to the Airfield Cost and Revenue Center and all fuel flowage fees for such period,

5. Divided by the estimated (or actual, when reconciling Airline Fees and Charges at the end of a period) total amount of Maximum Gross Landed Weight of all Air Carriers' aircraft at the Airport for such period.

B. Terminal Rental Rate. The Terminal Rental Rate per Rentable Square Foot for the Terminal Building for any period shall be equal to the following:

1. All Costs allocable to the Terminal Building Cost and Revenue Center for such period, plus

2. That portion of Costs allocable to the Administrative Cost Center for such period allocable to the Terminal Building Cost and Revenue Center, plus

3. That portion of Costs allocable to the Roads and Grounds Cost Center for such period allocable to the Terminal Building Cost and Revenue Center,

4. Divided by the number of Rentable Square Feet of space in the Terminal Building.

C. Airside Buildings Rental Rate. The Airside Buildings Rental Rate per Rentable Square Foot for the Airside Buildings for any period shall be equal to:

1. All Costs allocable to the Airside Buildings Cost and Revenue Center for such period, plus

2. That portion of Costs allocable to the Administrative Cost Center for such period allocable to the Airside Buildings Cost and Revenue Center, plus

3. That portion of Costs allocable to the Roads and Grounds Cost Center for such period allocable to the Airside Buildings Cost and Revenue Center,

4. Divided by the number of Rentable Square Feet of space in the Airside Buildings.

D. Passenger Transfer System Fee. The Passenger Transfer System Fee per Enplaned Passenger for Signatory Airlines for any period shall be equal to:

1. All Costs allocable to the Passenger Transfer System Cost and Revenue Center for such period, plus

2. That portion of Costs allocable to the Administrative Cost Center for such period allocable to the Passenger Transfer System Cost and Revenue Center, minus

3. The amount of Passenger Transfer System Fees paid by Non-Signatory Airlines for such period,

4. Divided by the number of Enplaned Passengers for all Air Carriers for such period,

5. Multiplied by 97.2 percent, representing the percentage of Passenger Transfer System passengers consisting of Enplaned Passengers and Deplaned Passengers and Airline Parties (the "***Air Carrier Share***").

E. Baggage Handling System Fee. The Baggage Handling System Fee per Enplaned Passenger for Signatory Airlines for any period shall be equal to:

1. All Costs allocable to the Baggage Handling System Cost and Revenue Center for such period, minus

2. The amount of Baggage Handling System Fees paid by Non-Signatory Airlines for such period,

3. Divided by the number of Enplaned Passengers for all Air Carriers for such period.

F. Joint Use Charges. The Joint Use Charges for any period shall be equal to the following:

1. *For Joint Use Premises in the Terminal Building*: The Terminal Rental Rate for such period multiplied by the number of Rentable Square Feet of the Joint Use Premises located within the Terminal Building.

2. *For Joint Use Premises in the Airside Buildings*: The Airside Buildings Rental Rate for such period multiplied by the number of Rentable Square Feet of the Joint Use Premises located within the Airside Buildings.

G. Per Use Ticket Counter Fee. The Per Use Ticket Counter Fee for any period shall be equal to the following:

1. The number of Rentable Square Feet of space for Ticket Counters located within the Terminal Building not subject to a Space Rental Agreement, multiplied by the Terminal Rental Rate,

2. Divided by the number of Ticket Counter positions not subject to a Space Rental Agreement,

3. Divided by the number of daily departures per Ticket Counter per day, as reasonably determined by the Authority, for such period,

4. Multiplied by the Non-Signatory Premium.

H. Per Use Gate Fee. The Per Use Gate Fee for any period shall be equal to the following:

1. The Standard Holdroom Square Footage, multiplied by the Airside Buildings Rental Rate,

2. Divided by the number of Turns for each Per Use Gate per day, as reasonably determined by the Authority, for such period,

3. Multiplied by the Non-Signatory Premium.

I. Aircraft Parking Fee. The Aircraft Parking Fee for any period shall be equal to the amount determined by the Authority.

J. Airline Terminal Support Fee. The Airline Terminal Support Fee per Enplaned Passenger for any Signatory Airline for any period shall be equal to the following:

1. All Costs allocable to the Airline Terminal Support Cost and Revenue Center for such period, minus

2. The amount of Airline Terminal Support Fees paid by Non-Signatory Airlines for such period,

3. Divided by the number of Enplaned Passengers for all Air Carriers for such period.

K. For purposes of assigning and allocating Costs, the Authority shall utilize generally accepted accounting practices as applicable to airports operating as an enterprise fund and include only those charges properly attributable to the Airport System.

L. Should the Authority transfer land from the Land Bank Cost Center to another Cost and Revenue Center, it shall do so at the historical cost of such land plus the cost of any improvements thereto.

9.2 Annual Rate Changes.

A. No later than forty-five (45) days prior to the end of each Fiscal Year, the Authority will notify the Air Carriers operating at the Airport of the proposed schedule of rates for Airline Fees and Charges for the ensuing Fiscal Year, including the Authority's proposed operating and capital budgets. Said rates shall be determined and presented to the Air Carriers substantially in conformance with the methods and format set forth in Section 9.1. In addition, the Authority shall notify the Air Carriers in writing of its intent to undertake any Capital Projects during such ensuing Fiscal Year.

B. The Air Carriers, through the AAAC, shall have the right to review and comment upon the proposed operating and capital budgets. No later than thirty (30) days after the forwarding of the proposed schedule of rates for Airline Fees and Charges, the Authority will meet with the AAAC at a mutually convenient time for the purpose of discussing such Airline Fees and Charges. In advance of said meeting, the Authority shall make available to the AAAC any reasonably requested additional information relating to the determination of the proposed rates. Authority agrees to fully consider the comments and recommendations of the Air Carriers prior to finalizing its schedule of Airline Fees and Charges for the ensuing Fiscal Year.

C. Following said meeting, and following Authority Board approval, and prior to the end of the then current Fiscal Year, Authority shall notify all of the Air Carriers operating at the Airport of the Airline Fees and Charges to be established for the ensuing Fiscal Year.

D. If calculation of the new Airline Fees and Charges is not completed by the Authority and the notice provided in Paragraph 9.2(C) is not given on or prior to the end of the then current Fiscal Year, the Airline Fees and Charges then in effect shall continue to be paid by the Air Carriers operating at the Airport until such calculations are concluded and such notice is given. Upon the completion of such calculations and the giving of such notice, the Authority shall determine the difference(s), if any, between the actual Airline Fees and Charges paid by each Air Carrier for the then current Fiscal Year and the Airline Fees and Charges that would have been paid by such Air Carrier if said Airline Fees and Charges had been in effect beginning on the first day of the Fiscal Year. Said difference(s), if any, shall be applied to the particular Airline Fees and Charges for which a

difference(s) in rates resulted in an overpayment or underpayment, and shall be remitted by the Air Carrier or credited or refunded by Authority in the month immediately following the calculation of the new Fiscal Year rates and the giving of written notice thereof to the Air Carriers by the Authority.

9.3 Other Rate Changes.

Rates for Airline Fees and Charges may be changed at any other time that unaudited monthly Authority financial data indicates that total Airline Fees and Charges payable pursuant to the then current rate schedules are reasonably estimated and anticipated by the Authority to increase or decrease by more than five percent (5%) from the total Airline Fees and Charges that would be payable based upon the use of the monthly financial data then available for said Fiscal Year. Rates for Airline Fees and Charges may also be changed whenever required by the terms and provisions of the Trust Agreement or Other Financing Documents.

9.4 Settlement and Revenue Sharing.

A. The Authority shall use commercially reasonable efforts to recalculate Airline Fees and Charges for the preceding Fiscal Year within one hundred twenty (120) days following the close of each Fiscal Year, or as soon as final Authority financial data for said Fiscal Year is available, using audited financial data and the methodology set forth in Section 9.1. The AAAC shall have reasonable access to the records of the Authority and shall have the right to audit the financial data used in connection with such recalculation. Upon the determination of any difference(s) between the actual Airline Fees and Charges paid by a Signatory Airline during the preceding Fiscal Year and the Airline Fees and Charges that would have been paid by such Signatory Airline using said recalculated rates, Authority shall, in the event of overpayment, promptly refund or credit to such Signatory Airline the amount of such overpayment within thirty (30) days, and in the event of underpayment, invoice such Signatory Airline for the amount of such underpayment, which invoiced amount shall be due within thirty (30) days of the invoice mailing date.

B. After payment of all Costs of the Airport System and Authority-funded Capital Projects for each Fiscal Year, including a minimum contribution to unrestricted reserves of no less than Ten Million Dollars ($10,000,000) per Fiscal Year, ten percent (10%) of the pro rata share of Revenues consisting of any remaining Revenues for such Fiscal Year derived from parking and concessions (including food and beverage, hotel, general merchandise, car rentals and ground transportation) shall be divided among the Signatory Airlines based upon each such Signatory Airline's Enplaned Passengers as a percentage of the total Enplaned Passengers of all Signatory Airlines for that Fiscal Year. For the avoidance of doubt, calculation of Revenue sharing is summarized in the table below:

Total Revenues	[A]
Less:	
O&M Expenditures	[B]
O&M Reserve Requirement	[C]
Authority Funded Capital	[D]
Debt Service	[E]
Contribution to Reserves	[F]
Net Remaining Revenues before Revenue Sharing	[A] minus (B+C+D+E+F) = [G]
Parking and Concessions Revenues [H] as % of Total Revenues [A]	[H] / [A] = [Y]%
Parking and Concessions Revenue Sharing Pool	[G] x [Y]% = [I]
Airline Revenue Share of remaining Parking and Concessions Revenues	[I] x 10% = [J]
Airline Revenue Share	[J]

ARTICLE 10
PAYMENTS

Each Air Carrier shall pay Authority the Airline Fees and Charges set forth in this Article 10 for use of the Airport during the period such Air Carrier operates at the Airport; provided, however, that itinerant and non-scheduled charter Air Carriers may instead pay such fees to a Ground Handler. For the right and privilege

of operating its Air Transportation Business at the Airport, each Air Carrier operating at the Airport shall pay to Authority, in lawful money of the United States of America, the following:

10.1 Landing Fees.

Each Air Carrier must pay monthly to the Authority Landing Fees for Chargeable Landings for the preceding month. An Air Carrier's Landing Fees shall be determined as the product of the Landing Fee rate for the period, calculated in accordance with Section 9.1(A), and such Air Carrier's total landed weight for the month. An Air Carrier's landed weight for the month shall be determined as the sum of the products obtained by multiplying the Maximum Gross Landed Weight of each type of such Air Carrier's aircraft by the number of Chargeable Landings of each such aircraft during such month.

10.2 Per Use Facility and FIS Fees.

Each Air Carrier must pay a Per Use Ticket Counter Fee for each use of a Per Use Ticket Counter and a Per Use Gate Fee for each use of a Per Use Gate in accordance with the schedule of Airline Fees and Charges established by the Authority from time to time following consultation with the Air Carriers operating at the Airport as set forth in accordance with Section 9.1(G) and (H). Each Air Carrier operating international flights subject to FIS screening shall pay the FIS Fee established by the Authority for each eligible international passenger.

10.3 Joint Use Charges and Per Passenger Fees.

A. Each Air Carrier must pay its allocable share of the Joint Use Charges determined pursuant to the Joint Use Formula for the use of the Joint Use Premises in accordance with the schedule of Airline Fees and Charges established by the Authority from time to time following consultation with the AAAC as set forth in accordance with Section 9.1(F).

B. Each Air Carrier must pay its allocable share of the Passenger Transfer System Fees determined pursuant to the Joint Use Formula for the use of the Passenger Transfer System in accordance with the schedule of Airline Fees and Charges established by the Authority from time to time following consultation with the AAAC as set forth in accordance with Section 9.1(D).

C. Each Air Carrier must pay its allocable share of the Baggage Handling System Fees determined pursuant to the Joint Use Formula for the use of the Baggage

Handling System in accordance with the schedule of Airline Fees and Charges established by the Authority from time to time following consultation with the AAAC as set forth in accordance with Section 9.1(E).

D. Each Air Carrier must pay its allocable share of the Airline Terminal Support Fees determined pursuant to the Joint Use Formula for the use of the systems included in the Airline Terminal Support Cost and Revenue Center in accordance with the schedule of Airline Fees and Charges established by the Authority from time to time following consultation with the AAAC as set forth in accordance with Section 9.1(J).

10.4 Aircraft Parking Fees.

Each Air Carrier must pay Aircraft Parking Fees for parking aircraft on the Terminal Aircraft Apron in accordance with the schedule of Airline Fees and Charges established by the Authority from time to time following consultation with the AAAC as set forth in accordance with Section 9.1(I).

10.5 Airline Premises Rent.

Each Signatory Airline that has entered into a Space Rental Agreement with respect to Office and Club Premises or Preferential Use Premises within the Terminal Complex must pay monthly rent per Rentable Square Foot of its Airline Premises ("***Airline Premises Rent***") within the Terminal Building and the Airside Buildings in accordance with the schedule of Airline Fees and Charges established by the Authority from time to time following consultation with the AAAC as set forth in accordance with Section 9.1 and the Space Rental Agreement.

10.6 Passenger Facility Charges.

A. Authority reserves the right to assess and collect PFCs subject to the terms and conditions set forth in 49 U.S.C. § 40117 (the "***PFC Act***") and the rules and regulations thereunder, 14 C.F.R. Part 158 (the "***PFC Regulations***"), as they may be supplemented or amended from time to time. Each Air Carrier operating at the Airport must collect FAA-approved PFCs imposed by Authority from all eligible passengers it enplanes at the Airport. On or before the last day of each month, each such Air Carrier must remit to the Authority all PFC revenue collected for the previous month, less any compensation provided for under 14 CFR §158.53(a), together with all reports required under §158.65.

B. If an Air Carrier transports passengers from the Airport on such Air Carrier's aircraft chartered by a charter airline or tour operator issuing passenger tickets other than those of such Air Carrier, the Air Carrier will provide Authority with a schedule detailing the date and time of the flight and the number of Enplaned Passengers. Such Air Carrier shall pay the required PFC amount due Authority in a timely manner and may seek reimbursement from the charter airline or tour operator with no liability to Authority.

C. Each Air Carrier shall hold the net principal amount of all PFCs that are collected by such Air Carrier or its agents on behalf of the Authority pursuant to the PFC Act and the PFC Regulations in trust for the Authority. For purposes of this Section, net principal amount shall mean the total principal amount of all PFCs that are collected by an Air Carrier or its agents on behalf of the Authority, reduced by all amounts that such Air Carrier is permitted to retain pursuant to § 158.53(a) of the PFC Regulations (such net principal amount known as "***PFC Revenue***"). By operating at the Airport, each Air Carrier acknowledges that all PFC Revenue collected for the Authority neither belongs to nor is owned by such Air Carrier except to the extent set forth in applicable Federal law and, unless the status of PFC Revenue in the possession of an Air Carrier is characterized in a separate manner under FAA regulations (in which case such characterization shall prevail), that such PFC Revenue is held in trust by such Air Carrier for the exclusive use and benefit of the Authority. No Air Carrier may make any claim in any document or proceeding that, for PFC Revenue collected by such Air Carrier on behalf of the Authority, the Air Carrier has any legal or equitable interest in such PFC Revenue, except to the extent such Air Carrier is specifically granted such interest by Federal statute or regulation, including the right of reimbursement from such PFC funds for the Air Carrier's costs of collection.

D. Any late payment by an Air Carrier of PFCs may be subject to late fees computed at the rate of one and one-half percent (1.5%) per month or, if less, the highest rate permitted by Applicable Law, from the due date until paid, to the extent allowed by Applicable Law.

E. The Authority has given to the United States of America, acting by and through the FAA, certain assurances under the PFC Act and the PFC Regulations, including Appendix A thereto (the "***PFC Assurances***"), and this Resolution shall be subordinate and subject to all PFC Assurances. In the event the FAA requires any modification of this Resolution as a condition precedent to the Authority's collection of PFCs or as a means to effect Authority's compliance with the PFC Act, the PFC Regulations, or the PFC Assurances, this Resolution may be modified as may reasonably be required for the Authority to collect PFCs or to comply with the PFC Act, PFC Regulations, and/or PFC Assurances.

10.7 Extraordinary Service Charges.

Each Air Carrier shall pay Extraordinary Service Charges, if applicable, as evidenced by Extraordinary Service Charge authorizations executed by such Air Carrier for such extraordinary additional equipment and services provided by Authority for its use (e.g., Club room finishes, or any other systems or equipment that are unique or special to such Air Carrier's operation) or work or services performed or provided by the Authority pursuant to this Resolution, plus an Administrative Charge. An Air Carrier's charges for Authority purchased Terminal Complex equipment shall be as set forth in a separate agreement with Authority.

10.8 Other Fees and Charges.

The Authority expressly reserves the right to assess and collect the following:

A. Reasonable and non-discriminatory fees for handling services provided by an Air Carrier for Air Carriers that are not an Affiliate of the handling Air Carrier, if such services or concessions would otherwise be available from a concessionaire or licensee of Authority.

B. Reasonable and non-discriminatory fees and charges for services, concessions or facilities not enumerated in this Resolution but provided by the Authority or its contractors and utilized by an Air Carrier including, but not limited to, special maintenance of equipment, vehicle storage areas, and remote ramp aircraft parking fees, plus Administrative Charges on the foregoing.

C. Pro rata shares of any charges for the provision of any services or facilities which the Authority is required or mandated to provide by any Governmental Authority (other than the Authority acting within its proprietary capacity) having jurisdiction over the Airport.

D. Each Air Carrier operating at the Airport must pay all costs of operating its business including all applicable sales, use, intangible, special assessments, and real estate taxes of any kind, including ad valorem and non-ad valorem, which are assessed

against Air Carrier's use and occupancy of the Airport, and any improvements thereto or leasehold estate created therein, or assessed on any payments made by Air Carrier hereunder, whether levied against such Air Carrier or the Authority. Each Air Carrier operating at the Airport must pay any applicable taxes, fees, or assessments against any such leasehold estate held by such Air Carrier. Each Air Carrier must pay the taxes, fees, or assessments as reflected in a notice such Air Carrier receives from the Authority or any taxing authority within thirty (30) days after such Air Carrier's receipt of that notice or within the time period prescribed in any tax notice issued by a taxing authority; provided, however, in case of any taxes, fees and assessments that are due to a party other than the Authority, but for which the Authority receives the notice, the Authority shall provide such notice to the affected Air Carrier or Air Carriers within a reasonable period of the Authority's receipt thereof. Upon request of an Air Carrier, the Authority will attempt to cause a taxing authority to send the applicable tax bills directly to such Air Carrier, and such Air Carrier shall remit payment directly to the taxing authority. If an Air Carrier disputes any tax, fee, or assessment, the Air Carrier must do so directly with the taxing authority in accordance with prescribed procedure and will so notify Authority in writing.

E. Each Air Carrier operating at the Airport shall pay to the Authority from time to time reasonable and non-discriminatory permit fees as established by the Authority for right to exercise certain privileges not otherwise provided for herein, as determined by the Authority from time to time.

10.9 Employee Parking Fees.

Employee parking permits are required for employees of Air Carriers to park within the employee parking lots and may also be required by the Authority for parking vehicles within an Air Carrier's leased or common use operational areas. The Authority reserves the right to charge an Air Carrier or its employees a reasonable fee for Airport parking. If Air Carrier is invoiced by Authority for such parking fees, payment is due to Authority within fifteen (15) days from the date of the invoice, or parking privileges may be terminated.

10.10 Payment of Airline Fees and Charges.

A. Payment of Landing Fees, Per Use Gate Fees, Per Use Ticket Counter Fees, FIS Fees, Joint Use Charges, Baggage Handling System Fees, Passenger Transfer System Fees, Airline Terminal Support Fees, and Aircraft Parking Fees, shall be

due and shall be deemed delinquent if not received within fifteen (15) days after the date of the invoice from the Authority therefor.

B. Payment of Airline Premises Rent under Section 10.5 shall be due and payable on the first day of each month, in advance, without invoice, and shall be delinquent if not received by the tenth (10th) day of each month.

C. Payment of fees payable on account of any concession type activity shall be due without demand or invoice on the fifteenth (15th) day following the month revenue is earned by an Air Carrier and shall be deemed delinquent if payment is not received within thirty (30) days after the due date.

D. Payment for all other Airline Fees and Charges due the Authority shall be due fifteen (15) days from the Authority's issuance of an invoice therefor and shall be deemed delinquent if payment is not received within ten (10) days after the due date for such amounts.

10.11 Interest on Delinquent Payments.

A. In addition to any other right or action available to the Authority, in the event an Air Carrier is delinquent in paying to the Authority any Airline Fees and Charges, Authority may charge such Air Carrier interest thereon at one and one-half percent (1.5%) per month, to the maximum extent permitted by Applicable Law, from the date such payment was due and payable until paid.

10.12 Place of Payments.

Each Air Carrier will submit all payments required by this Resolution as follows:

(ELECTRONICALLY – PREFERRED METHOD)

Via ACH with Remittance Advice to
Receivables@TampaAirport.com

or

(MAIL DELIVERY)

Hillsborough County Aviation Authority
Attn: Finance Department
Tampa International Airport
P. O. Box 919730
Lock Box IS: REV X6306
Orlando, Florida 32891-9730

or

(HAND DELIVERY)

Hillsborough County Aviation Authority
Attn: Finance Department
Tampa International Airport
4160 George J. Bean Parkway
Suite 2400, Administration Building
2nd Level, Red Side
Tampa, Florida 33607

ARTICLE 11

SECURITY FOR PAYMENT

11.1 Payment Security Requirements.

A. Unless an Air Carrier has maintained operations at the Airport during the eighteen (18) months prior to the Effective Date of this Resolution without the occurrence of any failure to pay within sixty (60) days or more of the due date under this Resolution or the Existing Agreement, an Air Carrier, other than an itinerant or nonscheduled charter Air Carrier, must provide the Authority on or before the Commencement Date with an acceptable bond, irrevocable letter of credit or other similar security acceptable to the Authority in an amount equal to the estimate of three months' Airline Fees and Charges (excluding PFCs) payable by such Air Carrier for its operations at the Airport, to guarantee the faithful performance by such Air Carrier of its obligations under this Resolution and the payment of all Airline Fees and Charges due hereunder ("***Payment Security***"). Each Air Carrier will be obligated to maintain such Payment Security in effect until the expiration of eighteen (18) consecutive months during which such Air Carrier commits no default under this Resolution. Such Payment Security will be in a form and with a surety acceptable to Authority and licensed to do business in the State. In the event that any such Payment Security is for a period less than the full period required or if such Payment Security is canceled, the Air Carrier must provide a renewal or replacement Payment Security for the remaining required period at least sixty (60) days prior to the date of such expiration or cancellation. Such Payment Security will require notice by the surety to Authority at least sixty (60) days prior to any cancellation.

B. In the event Authority is required to draw down or collect against an Air Carrier's Payment Security for any reason, the Air Carrier must, within 15 days after such draw down or collection, take such action as is necessary to replenish the existing

Payment Security to an amount equal to three months' estimated Airline Fees and Charges (excluding PFCs) or provide additional or supplemental Payment Security from another source so that the aggregate of all Payment Security is equal to three months' estimated Airline Fees and Charges (excluding PFCs) payable by such Air Carrier.

C. In addition to the foregoing, upon the occurrence of any act or omission by an Air Carrier that would constitute a default under this Resolution, or the Authority deems itself insecure based upon a change in an Air Carrier's financial standing, the Authority, by written notice to such Air Carrier, may impose or re-impose the requirements of this Section 11.1 upon such Air Carrier. In such event, the Air Carrier will provide Authority with the required Payment Security within fifteen (15) days from its receipt of such written notice and will thereafter maintain such Payment Security in effect until the expiration of a period of eighteen (18) consecutive months during which such Air Carrier commits no additional act or omission that would constitute a default under in this Resolution.

D. Subject to the provisions in this Article 11, the Payment Security will be returned within ninety (90) days following an Air Carrier's cessation of service at the Airport, subject to the satisfactory performance by such Air Carrier of all terms, conditions, and requirements contained herein.

ARTICLE 12
INDEMNIFICATION

A. For the privilege of conducting its Air Transportation Business at the Airport, to the maximum extent permitted by Florida law, in addition to each Air Carrier's obligation to provide, pay for and maintain insurance as required under Article 14 of this Resolution, each Air Carrier will indemnify and hold harmless the Authority and each Indemnified Party from any and all liabilities, suits, claims, procedures, liens, expenses, losses, costs, royalties, fines, and damages (including but not limited to claims for reasonable attorney's fees and court costs) caused in whole or in part by the Air Carrier's or any of its Airline Party's:

1. Presence on, use or occupancy of Authority property;

2. Acts, omissions, negligence (including professional negligence and malpractice), errors, recklessness, intentional wrongful conduct, activities, or operations;

3. Any breach of the terms of this Resolution;

4. Compliance, non-compliance or purported compliance with this Resolution;

5. Violation of any Applicable Laws; and/or

6. Infringement of any patent, copyright, trademark, trade dress or trade secret rights

whether the liability, suit, claim, lien, expense, loss, cost, fine or damages is caused in part by an Indemnified Party. This indemnity obligation expressly applies, and shall be construed to include, any and all claims caused in part by negligence, acts or omissions of the Authority, its members, officers, agents, employees and volunteers.

B. In addition to the foregoing duty to indemnify and hold harmless, each Air Carrier will have the separate and independent duty to defend the Authority and each other Indemnified Party from all suits, claims, proceedings, or actions of any nature seeking damages, equitable or injunctive relief expenses, losses, costs, royalties, fines or attorney's fees or any other relief in the event the suit, claim, or action of any nature arises in whole or in part from the Air Carrier's or any Airline Party's:

1. Presence on, use or occupancy of Authority property;

2. Acts, omissions, negligence (including professional negligence and malpractice), recklessness, intentional wrongful conduct, activities, or operations;

3. Any breach of the terms of this Resolution;

4. Compliance, non-compliance or purported compliance with this Resolution;

5. Violation of any Applicable Laws; and/or

6. Infringement of any patent, copyright, trademark, trade dress or trade secret rights

whether it is caused in part by Authority or another Indemnified Party. This duty to defend exists immediately upon presentation of written notice of a suit, claim or action of any nature to an Air Carrier operating at the Airport by a party entitled to a

defense hereunder. This indemnity obligation expressly applies, and shall be construed to include any, and all claims caused in part by negligence, acts or omissions of Authority, its members, officers, agents, employees and volunteers.

C. If the above indemnity or defense provisions or any part of the above indemnity or defense provisions are limited by Florida Statute. §725.06(2)-(3) or Florida Statute §725.08, then with respect to the part so limited, Air Carrier agrees to the following: To the maximum extent permitted by Florida law, Air Carrier will indemnify and hold harmless Authority, its members, officers, agents, employees, and volunteers from any and all liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys' fee, to the extent caused by the negligence, recklessness, or intentional wrongful conduct of Air Carrier or any Airline Party.

D. If the above indemnity or defense provisions or any part of the above indemnity or defense provisions are limited by Florida Statute §725.06 (1) or any other Applicable Laws, then with respect to the part so limited the monetary limitation on the extent of the indemnification shall be the greater of the (i) coverage amount of Commercial General Liability Insurance required to be carried by an Air Carrier under this Resolution or (ii) $1,000,000.00. Otherwise, the obligations of this Article will not be limited by the amount of any insurance required to be obtained or maintained by an Air Carrier under this Resolution.

E. In addition to the requirements stated above, to the extent required by a FDOT Public Transportation Grant Agreement and to the fullest extent permitted by Applicable Laws, the Air Carrier shall indemnify and hold harmless the State of Florida, FDOT, including the FDOT's officers and employees, from liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the Air Carrier and persons employed or utilized by the Air Carrier in the performance of this Resolution. This indemnification in this paragraph shall survive the termination of this Resolution. Nothing contained in this paragraph is intended nor shall it constitute a waiver of the State of Florida's and FDOT's sovereign immunity.

F. Each Air Carrier's obligations to defend and indemnify as described in this Article will survive until it is determined by final judgment that any suit, claim or other action against the Authority or any Indemnified Party for which it is entitled to

indemnification and defense hereunder is fully and finally barred by the applicable statute of limitations or repose.

G. Nothing in this Article will be construed as a waiver of any immunity from or limitation of liability the Authority or any Indemnified Party may have under the doctrine of sovereign immunity under common law or statute.

H. The Authority and the Indemnified Parties may, at their option, participate in the defense of any suit, without relieving any Air Carrier of any of its obligations under this Article.

I. If the above paragraphs A – H or any part of paragraphs A – H are deemed to conflict in any way with any Applicable Laws, the paragraph or part of the paragraph will be considered modified by such law to remedy the conflict.

ARTICLE 13
NO INDIVIDUAL LIABILITY

No Board member, officer, agent, director, or employee of the Authority shall be charged personally or held contractually liable by or to any other person under the terms or provisions of this Resolution or because of any breach thereof.

ARTICLE 14
INSURANCE

14.1 Insurance Terms and Conditions.

For the privilege of conducting its Air Transportation Business at the Airport, each Air Carrier operating at the Airport must maintain the following limits and insurance coverages uninterrupted or amended through the period such Air Carrier operates its Air Transportation Business at the Airport, subject to the Authority's right to modify the insurance requirements as set forth in this Resolution. In the event an Air Carrier fails to comply with the following requirements, the Authority reserves the right to take whatever actions it deems necessary to protect its interests. Required liability policies other than Workers' Compensation / Employer's Liability will provide that the Authority and the Indemnified Parties are included as additional insureds.

14.2 Limits and Requirements.

A. Workers' Compensation / Employer's Liability.

The minimum limits of Workers' Compensation / Employer's Liability insurance, inclusive of any amount provided by an umbrella or excess policy, are:

Part One:	"Statutory"
Part Two:	
Each Accident	$1,000,000
Disease – Policy Limit	$1,000,000
Disease – Each Employee	$1,000,000

B. Aviation/Airline Liability Insurance.

Each Air Carrier at all times that it is operating at the Airport shall maintain Aviation/Airline Liability Insurance coverage that includes, but is not limited to, Premises and Operations, Personal and Advertising Injury, Contractual Liability, Products and Completed Operations, Hangarkeeper's and Liquor Liability. Coverage will be applicable to the operation of all unlicensed motor vehicles and ground equipment operating within the AOA at the Airport. Additional insured coverage will be on a form that provides coverage in a manner no more restrictive than ISO Form CG 20 10 10 01. The minimum limits of insurance, inclusive of any amounts provided by an umbrella or excess policy, covering an Air Carrier's operations at the Airport will be:

Aviation/Airline Liability:	Resolution Specific:
Bodily & Personal Injury & Property Damage Liability	$100,000,000 Combined Single Limit Each Occurrence & Aggregate

Sublimits to be provided through the Aviation/Airline Liability or separate policy:

Personal Injury (non-passengers)	$25,000,000 Each Occurrence

Liquor Liability Coverage:

Liquor Liability Coverage will be maintained for any facility of Air Carrier serving alcoholic beverages on the Airport in an amount not less than $1,000,000 per occurrence.

Hangarkeeper's Liability Coverage:

Hangarkeeper's Liability Coverage will be maintained in an amount adequate to cover any non-owned property in the care, custody, and control of an Air Carrier on the Airport, but in any event, in an amount not less than $5,000,000 per occurrence.

Motor Vehicle Liability Insurance:

Each Air Carrier at all times that it is operating at the Airport will maintain Motor Vehicle Liability Insurance as to the ownership, maintenance, and use of owned, non-owned, or leased vehicles and ground service equipment operated at the Airport. The minimum limits of insurance, inclusive of any amounts provided by an umbrella or excess policy, will be:

Bodily & Personal Injury Property Damage Liability	$5,000,000 Combined Single Limit & each Occurrence & Aggregate

Provided, however, that all vehicles operating upon the AOA will be required to be insured for $10,000,000.

C. Aircraft Liability Insurance.

Each Air Carrier at all times that it is operating at the Airport will maintain Aircraft Liability Insurance by for all owned, non-owned, leased or hired aircraft, including passenger coverage. The minimum limits of insurance, inclusive of any amounts provided by an umbrella or excess policy, covering the work performed pursuant to this Resolution will be:

Bodily Injury, Personal Injury and Property Damage Liability Combined Single Limit, Each Occurrence & Aggregate	$100,000,000
Personal Injury (non-passengers) Each Occurrence	$25,000,000

D. Business Automobile Liability Insurance.

Each Air Carrier at all times that it is operating at the Airport will maintain Business Automobile Liability Insurance as to the ownership, maintenance, and use of all licensed or unlicensed, owned, non-owned, leased or hired vehicles and ground service equipment operated at the Airport. Coverage shall be no more restrictive than ISO form CA 00 01. The minimum limits of insurance, inclusive of any amounts provided by an umbrella or excess policy, covering the work performed pursuant to this Resolution will be:

Bodily & Personal Injury Property Damage Liability	$5,000,000 Combined Single Limit & each Occurrence & Aggregate

Provided, however, that all vehicles operating upon the AOA will be required to be insured for $10,000,000.

E. Cyber Liability & Data Storage.

The Air Carrier shall purchase and maintain at all times that it is operating at the Airport, and for a period of three years thereafter, Cyber Liability Insurance, for services completed during operations at the Airport. Such insurance shall cover, at a minimum, the following:

1. **Network Security Liability** covering liability for failures or breaches of network security and unauthorized access, including hackings and virus transmission or other type of malicious code, and electronic disclosure or use of confidential information, including personally identifiable information and personal health information;

2. **Privacy Liability** covering liability, PCI fines, expenses, defense costs, and regulatory actions for disclosure of confidential information, including personally identifiable information and personal health information, even if not caused by a failure or breach of network security;

3. **Digital Asset Protection**, including costs to reconstruct, restore or replace damaged software and data;

4. **Media Liability**, covering liability and defense costs for media wrongful acts such as defamation, disparagement, and copyright/trademark infringement and trade dress in the dissemination of internet content and media;

5. **Cyber-Extortion Coverage**, including negotiation and payment of ransomware demands and other losses from "ransomware" attacks. Coverage for the Air Carrier shall extend to those payments made via traditional currencies, as well as non-traditional crypto-currencies such as Bitcoin;

6. **Data Breach Response Coverage**, including coverage for notifying affected parties, setting up call center services, provision of credit

monitoring services, identity theft protection services, computer forensic expenses, data reconstruction, legal expenses, and public relations expenses resulting from a breach of Network Security or other Privacy breach involving personally identifiable information and personal health information; and

7. No exclusion for **Cyber Terrorism** coverage.

The minimum limits of liability shall be:

Each Occurrence	$5,000,000
Annual Aggregate	$5,000,000
Event Management Expenses	$5,000,000

Such Cyber Liability coverage must be provided on an Occurrence Form or, if on a Claims Made Form, the retroactive date must be no later than the first date of Services provided. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Air Carrier must purchase "extended reporting" coverage, which will provide coverage to respond to claims for a minimum of three years after completion of services completed during the term of the Resolution.

The Cyber Liability Insurance coverage may be subject to a deductible or self-insured retention.

14.3 Waiver of Subrogation.

Air Carrier, for itself and on behalf of its insurers, as a condition to operating at the Airport, to the fullest extent permitted by Applicable Law without voiding the insurance required by the Resolution, shall waive all rights against Authority and any Indemnified Party for damages or loss to the extent covered and paid for by any insurance maintained by Air Carrier.

14.4 Conditions of Acceptance.

The insurance maintained by Air Carrier must conform at all times with the Authority's Standard Procedure S250.06, Contractual Insurance Terms and Conditions, in effect as of the Effective Date and as amended from time to time.

14.5 Certificates of Insurance.

Prior to commencing operations at the Airport and annually thereafter, each Air Carrier must provide a certificate of insurance to the Authority evidencing the foregoing insurance coverages and minimum limits. Each certificate of insurance shall provide that such policies shall be primary to any other policies of insurance maintained by the Authority and shall provide that such policies cannot be canceled or changed in any manner that may adversely affect the Authority, except after the issuing company has mailed thirty (30) days' prior written notice to the CEO. Each Air Carrier must advise the Authority of any notice of cancellation, non-renewal, or material change in any policy within ten (10) days of notification of such action, provided that an Air Carrier shall provide notice within five (5) days for non-payment of premium. Any and all deductibles in the insurance policies described above shall be assumed by and be for the account of, and at the sole risk of, the Air Carrier. The workers' compensation insurance requirement of this Article may be satisfied by self-insurance evidenced by a certificate of self-insurance that complies with the requirements of the Applicable Laws of the State. Each Air Carrier shall deliver to the CEO, on or before the date of the renewal of any policy of insurance required hereunder, a renewal certificate that shall conform to the requirements set forth in this Section for the original certificates.

ARTICLE 15
UTILITIES

15.1 Utility Services.

Each Air Carrier operating at the Airport shall pay the full cost and expense associated with its use of all utilities, including but not limited to water, sanitary sewer, electric, storm drainage, and telecommunication services.

15.2 Cabling Infrastructure.

The Authority owns and maintains the Airport's premises-wide distribution system cable infrastructure supporting telephone and data transmission generated within, to and from the Airline Premises. An Air Carrier may use Authority's fiber optic cabling infrastructure for voice and data connectivity. Any Air Carrier using the Authority's cabling infrastructure must pay monthly fees, as established on an annual basis by the Authority, for each thousand linear feet of fiber optic cable, for the strands terminated and/or utilized, and for the associated termination points. The Authority will provide annual maintenance and any needed repairs for the fiber optic cable. Relocation of fiber or additional strands of fiber will be at an Air Carrier's expense. If an Air Carrier installs electronic visual information display systems

("***EVIDS***"), such Air Carrier must use the Authority's network and cabling infrastructure. Installation and ongoing maintenance of EVIDS will be at such Air Carrier's cost and may be performed by the Authority or by an outside vendor approved by the Authority, subject to a Tenant Work Permit.

ARTICLE 16
SUBORDINATION TO TRUST AGREEMENT

A. This Resolution and all rights of any Air Carrier hereunder are expressly subordinate and subject to the lien and provisions of any pledge, transfer, hypothecation, or assignment made at any time by the Authority to secure financing. This Resolution is subject and subordinate to the terms, covenants, and conditions of the Trust Agreement and Other Financing Documents made by Authority authorizing the issuance of Bonds, Subordinated Indebtedness or Other Indebtedness by the Authority. Conflicts between this Resolution and the documents mentioned above will be resolved in favor of such documents.

B. The Authority shall notify the Air Carriers in advance of any proposed amendments or supplements to the Trust Agreement and Other Financing Documents that would alter the terms and provisions of this Resolution or materially impact the levels of Airline Fees and Charges paid by the Air Carriers.

C. With respect to Bonds, Subordinated Indebtedness and Other Indebtedness that may be issued in the future, the interest on which is intended to be excludable from gross income of the holders of such Bonds, Subordinated Indebtedness and Other Indebtedness for Federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "***Code***") (collectively, "***Tax-Exempt Indebtedness***"), no Air Carrier may act, or fail to act (and will immediately cease and desist from any action, or failure to act), with respect to the use of the Airline Premises, if the act or failure to act may cause, in the sole judgment of the Authority, the Authority to be in noncompliance with the provisions of the Code, nor may any Air Carrier take, or persist in, any action or omission which may cause the interest on the Tax-Exempt Indebtedness either (i) not to be excludable from the gross income of the holders thereof for Federal income tax purposes; or (ii) to the extent such obligations were issued as exempt from the alternative minimum tax (the "***AMT***"), to become subject to the AMT for Federal income tax purposes, and no Air Carrier may elect to take depreciation on any portion of the Airline Premises financed with the proceeds of such Tax-Exempt Indebtedness.

ARTICLE 17
NON-EXCLUSIVE RIGHTS

Notwithstanding anything herein contained that may be, or appear to be, to the contrary, it is expressly understood and agreed that the rights granted under this Resolution are non-exclusive and the Authority herein reserves the right to grant similar privileges to others, including but not limited to other tenants or occupants on other parts of the Airport.

ARTICLE 18
RULES AND REGULATIONS; COMPLIANCE WITH LAWS

18.1 Rules and Regulations.

Each Air Carrier operating at the Airport must observe and obey (and require its Airline Parties to observe and obey and exercise diligent efforts to require its passengers, guests, invitees, and those doing business with such Air Carrier to observe and obey) the Rules and Regulations, as they may from time to time be promulgated or amended for reasons of safety, health, sanitation, and good order; provided, however, that such Rules and Regulations shall not be inconsistent with this Resolution or be inconsistent with the rules and regulations of any Federal agency having jurisdiction with respect to Air Carriers or their operations. The obligation of an Air Carrier to use its diligent efforts to require such observance and obedience on the part of its passengers, guests, invitees, and business visitors shall apply only while such persons are in the Terminal Complex. In the event of any conflict between requirements of Applicable Laws and the Rules and Regulations, the more restrictive requirement shall apply, as long as compliance with a more restrictive Rule or Regulation does not violate a requirement of any Applicable Law.

18.2 Observance and Compliance with Laws.

Each Air Carrier operating at the Airport must, in connection with its operations, observe and comply with, and pay all taxes and obtain all licenses, permits, certificates, and other authorizations required by, all Applicable Laws, including, but not limited to, all rules, regulations, and directives of the FAA or the TSA, as applicable to such Air Carrier, as such requirements may be amended or interpreted by the FAA from time to time; provided, however, that nothing herein shall be construed to limit or diminish the right of an Air Carrier, at its own cost, risk, and expense, to contest, by appropriate judicial or administrative proceeding, the applicability or the legal or constitutional validity of any such Applicable Law.

ARTICLE 19
GOVERNMENT INCLUSION

19.1 Subordination to Federal Agreements.

This Resolution will be subject and subordinate to all the terms and conditions of any instruments and documents under which the Authority acquired the land or improvements thereon constituting the Airport. This Resolution shall be subject and subordinate to the provisions of any existing or future agreements between the Authority and the United States of America, or any of its agencies, relative to the operation and maintenance of the Airport, the terms and execution of which have been, or may be, required as a condition precedent to the expenditure or reimbursement to the Authority of federal funds for the development of the Airport, and to any terms or conditions imposed upon the Airport by any other governmental entity ("***Grant Assurances***"). In the event that this Resolution, either on its own terms or by any other reason, conflicts with or violates any such Grant Assurances, the Authority has the right to amend, alter, or otherwise modify the terms of this Resolution in order to resolve such conflict or violation.

19.2 Federal Government's Emergency Clause.

All provisions of this Resolution shall be subordinate to the rights of the United States of America to operate the Airport or any part thereof during time of war or national emergency. Such rights shall supersede any provisions of this Resolution inconsistent with the operations of the Airport by the United States of America.

19.3 Security.

Each Air Carrier and its Airline Parties must comply with (i) the provisions of the Authority's TSA-approved airport security plan for the Airport as from time to time existing, and (ii) applicable regulations of the TSA, as from time to time existing. If an Air Carrier or any of its Airline Parties shall fail or refuse to comply with said measures and such non-compliance results in a monetary penalty being assessed against the Authority, then, in addition to any other terms of this Resolution, such Air Carrier shall be responsible and shall reimburse the Authority in the full amount of any such monetary penalty or other damages; provided, however, that such Air Carrier may protest the assessment of any such penalty or other damages as long as the Authority is reimbursed for the full amount of any payments made by the Authority.

ARTICLE 20
NON-DISCRIMINATION

A. The provisions of this Article 20 apply to all activities undertaken by an Air Carrier at the Airport. Failure to comply with the terms of these provisions may be sufficient grounds to:

1. Terminate any agreement between an Air Carrier and the Authority;

2. Seek suspension/debarment of an Air Carrier; or

3. Take any other action determined to be appropriate by Authority or the FAA.

B. Civil Rights. Each Air Carrier shall, in connection with its operations at, to and from the Airport, observe and comply with those requirements of the FAA set forth in **Exhibit A**, as such requirements may be amended or interpreted by the FAA or the United States Department of Transportation from time to time.

Each Air Carrier must comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If an Air Carrier transfers its obligation to another, the transferee is obligated in the same manner as the Air Carrier.

This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

ARTICLE 21
ENVIRONMENTAL

21.1 General Conditions.

For the privilege of and as a condition to conducting its Air Transportation Business at the Airport, to the maximum extent permitted by State law, each Air Carrier must comply, and cause all of its Airline Parties to comply, with all applicable Environmental Laws, the provisions of this Article 21, and the Rules and Regulations in connection with its use and occupancy of its Airline Premises, if any, and any portion of the Airport. In the event of any noncompliance with applicable Environmental Laws or Rules and Regulations by an Air Carrier or any of its Airline Parties at the Airport, such Air Carrier must take prompt and

appropriate action to address the conditions causing the noncompliance and return to full compliance. In the event of any conflict between requirements of applicable Environmental Laws and the Rules and Regulations, the more restrictive requirement shall apply; provided, however, as long as compliance with a more restrictive Rule or Regulation does not violate a requirement of any Environmental Law.

Notwithstanding any other provisions of this Resolution, and in addition to any and all other requirements of this Resolution, each Air Carrier operating at the Airport must comply with the following:

A. Air Carrier must comply with all applicable Environmental Laws that apply to such Air Carrier's facilities or operations at the Airport. Such Environmental Laws change from time to time, and each Air Carrier is obligated to keep informed of any such future changes.

B. In addition to any indemnification requirements set forth elsewhere in this Resolution, as a condition of conducting its Air Transportation Business at the Airport, to the maximum extent permitted by State law, each Air Carrier will indemnify and defend and hold harmless the Authority and all other Indemnified Parties from all costs, claims, demands, actions, liabilities, complaints, fines, citations, violations, or notices of violation arising from or attributable to: (i) any violation by Air Carrier of such applicable Environmental Laws and for any non-compliance by Air Carrier with any permits issued to Air Carrier pursuant to such Environmental Laws, (ii) a presence or release of Hazardous Substances into the environment caused in whole or in part by such Air Carrier or any of its Airline Parties at the Airport, or the subsurface, waters, air, or ground thereof, in excess of levels allowable by Environmental Laws, or the violation of any Environmental Laws due to such Air Carrier's or its Airline Parties' management, control, authorization, handling, possession, or use of Hazardous Substances at the Airport; (iii) any breach by such Air Carrier of any of the requirements of this Article 21; (iv) such Air Carrier's failure to remediate Hazardous Substances as required by this Resolution; which indemnity will include, but not be limited to, enforcement actions to assess, abate, remediate, undertake corrective measures, and monitor environmental conditions and for any monetary penalties, costs, expenses, or damages, including natural resource damages, imposed against an Air Carrier or its Airline Parties or against the Authority by reason of an Air Carrier's or its Airline Parties' violation or non-compliance with Environmental Laws. Each Air Carrier's obligations hereunder will survive the termination of Air Carrier's operations at the

Airport, and will not be affected in any way by the amount of or the absence in any case of covering insurance or by the failure or refusal of any insurance carrier to perform any obligation on its part under insurance policies affecting the Airport or any part thereof, except that, in the event that Authority recovers funds from insurance carriers in connection with claims associated with (i), (ii), (iii) or (iv) above, the Authority may not recover the same funds from an Air Carrier; and provided, further, that the foregoing indemnity obligations are subject to the provisions of paragraphs (C) and (D) of Article 12 to the extent applicable.

C. Each Air Carrier must cooperate with any investigation, audit, or inquiry by the Authority or any Governmental Authority regarding a possible violation of any Environmental Law upon the Airport.

D. All remedies of the Authority as provided herein with regard to violation of any Environmental Laws will be deemed cumulative in nature and will survive termination of an Air Carrier's operations at the Airport.

E. Each Air Carrier must provide any notice of violation, notice of non-compliance, or other enforcement action of the nature described herein to Authority within 24 hours of receipt by an Air Carrier or such Air Carrier's agent. In the event the Authority receives a notice of violation, notice of non-compliance, or other enforcement action of the nature described herein, it will promptly provide that notice to the impacted Air Carrier(s). Any violation or notice of violation or non-compliance with Environmental Law must be rectified by an Air Carrier within thirty (30) days after notice thereof or, if such violation or non-compliance cannot be rectified within such period, the Air Carrier must begin remediating such violation or non-compliance within such thirty (30) day period and continuously and diligently complete such remediation.

21.2 Environmental Considerations.

A. Each Air Carrier operating at the Airport will establish and maintain standard industry controls, procedures and mechanisms designed to prevent or respond to a discharge or spill of any Hazardous Substance by such Air Carrier and any of its Airline Parties into any component of the storm drainage system or onto any paved or unpaved area within the boundaries of the Airport. In addition, no such Air Carrier or its Airline Parties may discharge or spill any Hazardous Substance into any component of the sanitary sewer system without first neutralizing or treating same as required by applicable Environmental Laws, in a manner satisfactory to

the Authority and other Governmental Authorities having jurisdiction over or responsibility for the prevention of pollution of canals, streams, rivers, bays, and other bodies of water.

B. If an Air Carrier is deemed to be a generator of hazardous waste, as defined by applicable Environmental Laws, such Air Carrier must obtain a generator identification number from the U. S. EPA and comply with all applicable Environmental Laws, including but not limited to, ensuring that the transportation, storage, handling, and disposal of such hazardous wastes are conducted in full compliance with Applicable Laws.

C. Each Air Carrier must provide the Authority, within ten (10) days after the Authority's request, copies of then-current hazardous waste permit application documentation, permits, monitoring reports, transportation, responses, storage and disposal plans, safety data sheets and waste disposal manifests required by applicable Environmental Laws to be maintained which have been prepared or issued in connection with such Air Carrier's use of the Airport.

D. At or before the termination of its operations at the Airport, each Air Carrier must dispose of all solid and hazardous wastes and containers in compliance with all applicable Environmental Laws. Upon the Authority's request, copies of all waste manifests required to be retained under applicable Environmental Laws must be provided an Air Carrier to the Authority at least thirty (30) days prior to the conclusion of such Air Carrier's operations at the Airport.

21.3 Prior Environmental Impacts.

Nothing in this Article will be construed to make an Air Carrier liable in any way for any environmental impacts or release of Hazardous Substances affecting the Airport that occurred prior to an Air Carrier's entry upon the Airport or that occurred solely as a result of the actions of Authority or any of its employees, agents, or contractors.

21.4 Off-Site Environmental Impacts.

Nothing in this Article will be construed to make an Air Carrier liable in any way for any environmental impacts or releases of Hazardous Substances affecting the Airport that occur by reason of the migration or flow onto or into the Airport from verifiable or documented off-site environmental impact that is not attributable to an Air Carrier's activities.

21.5 Petroleum Storage Systems.

A. Each Air Carrier, at its expense, must at all times comply with all Environmental Laws, including but not limited to, the requirements of the Federal Oil Pollution Prevention regulation found in Title 40 of the Code of Federal Regulations Part 112 (40 CFR Part 112), as well as the requirements of the Environmental Planning Commission, as they may be amended or replaced, pertaining to petroleum storage tank and piping system construction, operation, inspection, and compliance monitoring programs; release detection methods and procedures; maintenance; and preventative maintenance programs. Each Air Carrier that owns or operates any such system or tank at the Airport will be responsible for all spillage, overflow, or escape of gases, petroleum or petroleum products, and for all fines and penalties in connection therewith. All petroleum storage systems owned or operated by an Air Carrier at the Airport must be registered by such Air Carrier, and the Air Carrier must display the registration placard as required by Applicable Laws.

B. Each Air Carrier must train its employees and employees of fuel suppliers regarding proper fuel delivery and dispensing procedures with an emphasis on safety as well as on spill prevention and response. All fuel delivered to or dispensed from fuel farm facilities at the Airport on behalf of an Air Carrier must be attended by a person who has completed an FAA-approved aircraft fueling training program. Each Air Carrier must comply with all requirements of 40 CFR Part 112, as they may be revised or amended. As a result, each Air Carrier must prepare and implement a Spill Prevention Control and Countermeasure plan as applicable. Notification and response related to the spill or release of petroleum products must be in compliance with FDEP regulations as well as EPC's requirements.

C. Each Air Carrier must strictly comply with safety and fire prevention ordinances of the City of Tampa and Hillsborough County and all applicable safety regulations at the Airport that may be adopted by Authority. Each Air Carrier must provide adequate fire extinguishers and must establish a fuel dispensing operations manual for its employees and employees of fuel suppliers and submit a copy to the Authority.

D. Each Air Carrier is responsible for all costs and expenses that may be incurred in order to comply with this Article.

21.6 Stormwater.

Certain properties on Authority-owned land are subject to stormwater rules and regulations. Each Air Carrier must observe and abide by such stormwater rules and regulations as may be applicable, and, if applicable, Air Carrier operating at the Airport must comply with the following:

A. Each Air Carrier must submit a Notice of Intent to use the State of Florida Multi-Sector General Permit for Stormwater Discharge Associated with Industrial Activity. Each Air Carrier must cooperate closely with the Authority to ensure compliance with any applicable stormwater discharge permit terms and conditions, as well as to ensure safety and to minimize the cost of compliance. Each Air Carrier will undertake actions to minimize the exposure of stormwater to "significant materials" (as such term may be defined by applicable stormwater rules and regulations) generated, stored, handled, or otherwise used by such Air Carrier by implementing and maintaining best management practices ("***BMPs***"), as such term may be defined in applicable stormwater rules and regulations. Each Air Carrier must establish a BMP plan for such Air Carrier's operations and operational area at the Airport and submit a copy to the Authority.

B. Each Air Carrier is responsible for being knowledgeable regarding any stormwater discharge permit requirements applicable to such Air Carrier and with which such Air Carrier will be obligated to comply. Each Air Carrier must submit a Notice of Intent to the FDEP, with a copy to the Authority. Each Air Carrier is required to comply with the following requirements including but not limited to: certification of non-stormwater discharges; preparation of a Stormwater Pollution Prevention Plan or similar plans; implementation of BMPs; and maintenance and submittal of necessary records. In complying with such requirements, an Air Carrier must observe applicable deadlines set by the regulatory agency that has jurisdiction over the permit. Each Air Carrier must undertake, as its sole expense, those stormwater permit requirements for which it has received written notice from the regulatory agency, and such Air Carrier will hold harmless and indemnify the Authority for any violations or non-compliance with any such permit requirements.

21.7 Environmental Impacts by an Air Carrier.

A. If the results of an assessment of an Air Carrier's operations at the Airport indicate that the Air Carrier has released Hazardous Substances, such Air Carrier must immediately undertake such steps to remedy and/or remove any Hazardous

Substances and any other environmental contamination that arises out of such Air Carrier's use of the Airport consistent with applicable Environmental Laws. Any such remediation shall be in accordance with Environmental Laws and shall restore the affected property to a condition protective of human health and the environment without reliance on unduly burdensome or costly engineering or administrative controls or restrictions on activity or use of the property. Such work shall be performed at such Air Carrier's expense. The Authority reserves the right to review and inspect all such work at any time using consultants and representatives of its choice at such Air Carrier's cost and expense.

B. During the period of a cleanup due to the environmental condition of the Airport, an Air Carrier's obligations, including the payment of Airline Fees and Charges, will continue in full force and effect, in addition to any other damages for which such Air Carrier may be liable.

C. The firm conducting any cleanup work must be approved by the Authority, and the methodology used by such firm must be consistent with engineering practices and methods required by a Governmental Authority and must be acceptable to the Authority.

ARTICLE 22
RIGHT TO DEVELOP AIRPORT

The Authority reserves the right to further develop or improve the Airport and all landing areas and taxiways as it may see fit, regardless of the desires or views of any Air Carrier or any Airline Party and without interference or hindrance.

ARTICLE 23
RIGHT OF ENTRY

Authority will have the right to enter any part of the Airport for the purpose of periodic inspection of the Airport from the standpoint of safety and health, and monitoring of an Air Carrier's compliance with the terms of this Resolution.

ARTICLE 24
RIGHT OF FLIGHT

The Authority reserves, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the real property owned by the Authority, together with the right to cause

in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in said airspace, and for the use of said airspace for landing on, taking off from or operating on Airport.

Any Air Carrier operating at the Airport must restrict the height of structures, objects of natural growth, and other obstructions at the Airport to such a height so as to comply with Federal Aviation Regulations, Part 77 and the Rules and Regulations, and each Air Carrier must prevent any use of the Airport by such Air Carrier or its Airline Parties that would interfere with or adversely affect the operation or maintenance of Airport, or otherwise constitute an Airport hazard.

ARTICLE 25
PROPERTY RIGHTS RESERVED

This Resolution will be subject and subordinate to all the terms and conditions of any instruments and documents under which Authority acquired the Airport System land or improvements thereon.

ARTICLE 26
SIGNS

26.1 Written Approval.

Except with the prior written approval of the Authority, which shall not be unreasonably withheld, conditioned, or delayed, no Air Carrier may erect, maintain, or display any signs or any advertising at or on any portion of the Airport, including common use areas.

26.2 Removal.

Upon cessation of service to the Airport, each Air Carrier must remove, obliterate or paint out, as the Authority may direct, any and all of its signs and advertising at the Airport, including common use areas and, in connection therewith, such Air Carrier must restore the portion of the Airport affected by such signs or advertising to substantially the same condition as existed at the commencement of such Air Carrier's operations at the Airport, normal wear and tear excepted. In the event of failure on the part of an Air Carrier to remove, obliterate, or paint out each and every sign or advertising and restore the Airport, as herein provided, the Authority may perform the necessary work, at the expense of such Air Carrier, plus an Administrative Charge.

ARTICLE 27

RIGHT TO AMEND

This Resolution may be amended by the Board of the Authority in its sole discretion; provided, however, that no amendment affecting an Air Carrier operating at the Airport shall be effective with respect to such Air Carrier until such Air Carrier has been provided with not less than ninety (90) days' prior written notice of such amendment and an ability to comment on and review such amendment, unless such amendment is required by a Governmental Authority or by Applicable Law.

ARTICLE 28

AGENT FOR SERVICE

As a condition to operating its Air Transportation Business at the Airport, if an Air Carrier is not a resident of the State, or is an association or partnership without a member or partner resident of the State, or is a foreign corporation, then in any such event the Secretary of State, State of Florida, may serve as an Air Carrier's agent for the purpose of service of process in any court action between it and the Authority arising out of or based upon such Air Carrier's operations at the Airport and the service will be made as provided by the laws of the State, for service upon a non-resident. Further, if for any reason service of such process is not possible, and an Air Carrier does not have a duly noted resident agent for service of process, as an alternative method of service of process, such Air Carrier may be personally served with such process out of this State, by the registered mailing of such complaint and process to such Air Carrier and such service will constitute valid service upon such Air Carrier as of the date of mailing and the Air Carrier will have thirty (30) days from date of mailing to respond thereto. Any Air Carrier, by operating at the Airport, agrees to the process so served, submits to the jurisdiction of the court and waives any and all obligation and protest thereto, any laws to the contrary notwithstanding.

ARTICLE 29

INCORPORATION OF EXHIBITS

All exhibits and attachments referred to in this Resolution are intended to be and are hereby specifically made a part of this Resolution.

ARTICLE 30

COMPLIANCE WITH CHAPTER 119, FLORIDA STATUTES PUBLIC RECORDS LAW

IF AN AIR CARRIER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE AIR CARRIER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS RESOLUTION,

CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (813) 870-8721, ADMCENTRALRECORDS@TAMPAAIRPORT.COM, HILLSBOROUGH COUNTY AVIATION AUTHORITY, P.O. BOX 22287, TAMPA FL 33622.

To the extent required by Applicable Laws, each Air Carrier operating at the Airport, in accordance with Florida Statute Section 119.0701, must comply with public records laws including the following:

A. Keep and maintain public records required by the Authority in order to perform the services contemplated by this Resolution.

B. Upon request from the Authority's custodian of public records, provide the Authority with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Fla. Stat. or as otherwise provided by Applicable Law.

C. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by Applicable Law.

D. Upon termination of operations at the Airport, keep and maintain public records required by the Authority to perform the services. Each Air Carrier operating at the Airport must meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Authority, upon request from the Authority's custodian of public records, in a format that is compatible with the information technology systems of the Authority.

ARTICLE 31

DISPUTE RESOLUTION

31.1 Claims and Disputes.

A. A claim is a written demand or assertion by the Authority or an Air Carrier seeking as a matter of right an adjustment or interpretation of this Resolution, payment of money, an extension of time or other relief with respect to the terms of this Resolution. The term claim also includes other matters in question between the Authority and an Air Carrier arising out of or relating to this Resolution. The responsibility to substantiate claims will rest with the party making the claim.

B. If for any reason an Air Carrier deems that the Authority's rate setting methodology is unjustly discriminatory, or that the Authority is not in compliance with this Resolution or its other obligations, the Air Carrier shall notify the Authority in writing of its assertion (such assertions hereinafter referred to as, a ***"Claim"***). The Air Carrier and the Authority must maintain, and keep, strict accounting of documents or evidence associated with the Claim. The failure to give proper notification to Authority as required herein will constitute a waiver of any Claim.

C. An Air Carrier must provide written notice to the Authority of a Claim within ninety (90) days after the Air Carrier first recognizes the condition giving rise to the Claim. The failure to give the Authority written notice of such Claim within such period as required herein will constitute a waiver of any Claim.

D. Pending final resolution of a Claim, unless otherwise agreed in writing, the Air Carrier must continue to comply fully with the terms of the Resolution.

E. Notice of intention to Claim is not required for Claims relating to an emergency endangering life or property. Claims associated with such emergencies should be filed as soon as practicable in accordance with the procedures established in this Article.

31.2 Resolution of Claims and Disputes.

A. The following actions are conditions precedent to the Authority's review of a Claim unless waived in writing by the Authority:

1. Air Carrier and Authority Personnel Meeting (***"Personnel Meeting"***): Within five days (5) after a Claim is filed with the Authority, an employee of the Air Carrier with authority to resolve the Claim shall meet with the Authority's representative with authority to resolve the Claim in a good faith attempt to resolve the Claim. If a party intends to be accompanied at a meeting by legal counsel, the other party shall be given at least three (3) working days' notice of such and also may be accompanied by legal counsel. All negotiations pursuant to this clause shall be deemed confidential and shall be treated as compromise and settlement negotiations for purposes of rules of evidence.

2. Management Representatives' Meeting: If the Personnel Meeting fails to resolve the Claim, a senior executive for each of the Air Carrier and the

Authority shall meet, within ten (10) days after a Claim is filed with the Authority, to attempt to resolve the Claim and any other identified disputes or any unresolved issues that may lead to Claims. If a party intends to be accompanied at a meeting by legal counsel, the other party shall be given at least three (3) working days' notice of such and also may be accompanied by legal counsel. All negotiations pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations for purposes of rules of evidence.

3. Following the Personnel Meeting and the Management Representatives' Meeting, the CEO will review the Air Carrier's Claim and may (1) request additional information from the Air Carrier which Air Carrier shall promptly provide to the Authority, or (2) render a decision on all or part of the Claim. The CEO will notify the Air Carrier in writing of the disposition of the Claim within twenty-one (21) days following the receipt of such Claim or receipt of any additional information requested.

B. Should the Authority and the Air Carrier not reach an agreement during the Management Representatives' Meeting, and the Air Carrier rejects the Authority's written disposition of the Claim, the Authority and the Air Carrier will seek in good faith to settle the dispute through a non-binding mediation. Mediation with a mediator approved by the Authority and such Air Carrier shall be a condition precedent to litigation or any further administrative process. Any such mediation will be subject to Rule 1.700 et seq., Florida Rules of Civil Procedure and Chapter 44, Fla. Statutes.

ARTICLE 32

APPLICABLE LAW AND VENUE

This Resolution will be construed in accordance with the laws of the State. Venue for any action brought pursuant to this Resolution will be in Hillsborough County, Florida, or in the Tampa Division of the U.S. District Court for the Middle District of Florida.

ARTICLE 33

RELATIONSHIP OF THE PARTIES

Each Air Carrier operating at the Airport is and will be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and the Authority will in no way be responsible therefor.

ARTICLE 34

NO WAIVER

No waiver by the Authority at any time of any of the terms, conditions, or obligations of an Air Carrier under this Resolution, or non-compliance therewith, will be deemed or taken as a waiver at any time thereafter of the same or any other term, condition, or obligation herein contained, nor of the strict and prompt performance thereof by an Air Carrier. No delay, failure, or omission of the Authority to exercise any right, power, privilege, or option arising from any default, nor subsequent acceptance of fees or charges then or thereafter accrued, will impair any such right, power, privilege, or option, or be construed to be a waiver of any such default. No notice by the Authority will be required to restore or revive time is of the essence hereof after waiver by the Authority or default in one or more instances. No option, right, power, remedy, or privilege of the Authority will be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of the rights, powers, options, privileges, or remedies given to the Authority by this Resolution and Applicable Laws are cumulative and that the exercise of one right, power, option, privilege, or remedy by the Authority will not impair its rights to any other right, power, option, privilege, or remedy available under this Resolution or as provided by Applicable Laws.

ARTICLE 35

INVALIDITY OF CLAUSES

The invalidity of any part, portion, Article, Section, paragraph, provision, or clause of this Resolution will not have the effect of invalidating any other part, portion, Article, Section, paragraph, provision, or clause thereof, and the remainder of this Resolution will be valid and enforced to the fullest extent permitted by Applicable Laws.

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Exhibit A

Federal Aviation Administration Required Provisions

A. Civil Rights – General. The Authority and each Air Carrier operating at the Airport shall comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If an Air Carrier transfers its obligation to another, the transferee is obligated in the same manner as the Air Carrier.

This provision obligates Air Carriers for the period during which any property at the Airport is owned, used or possessed by the Air Carrier and the Airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

B. Civil Rights – Title VI Assurances – Compliance With Nondiscrimination Requirements.

1. Compliance with Regulations: Each Air Carrier operating at the Airport (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Resolution.

2. Non-discrimination: Each Air Carrier, with regard to the work performed by it during the period it operates at the Airport, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Air Carriers will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by an Air Carrier for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Air Carrier of the Air Carrier's obligations under this provision and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

4. Information and Reports: Air Carriers will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to

its books, records, accounts, other sources of information, and its facilities as may be determined by the Authority or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of an Air Carrier is in the exclusive possession of another who fails or refuses to furnish the information, the Air Carrier will so certify to the Authority or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of an Air Carrier's noncompliance with the non-discrimination provisions of this resolution, the Authority will impose such sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

   a. Withholding payments to the Air Carrier under the Resolution until the Air Carrier complies; and/or

   b. Cancelling, terminating, or suspending the Air Carrier's rights under the Resolution, in whole or in part.

6. Incorporation of Provisions: Each Air Carrier must include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. Each Air Carrier will take action with respect to any subcontract or procurement as the Authority or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if an Air Carrier becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Air Carrier may request the Authority to enter into any litigation to protect the interests of the Authority. In addition, an Air Carrier may request the United States to enter into the litigation to protect the interests of the United States.

C. Civil Rights – Title VI Clauses for Use/Access to Real Property.

1. Each Air Carrier for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Airport, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to

discrimination, (3) that such Air Carrier will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities in Paragraph D below.

2. In the event of breach of any of the above nondiscrimination covenants, the Authority will have the right to terminate the Air Carrier's rights under this Resolution and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said Resolution had never been made or issued.

D. Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this Resolution, each Air Carrier, for itself, its assignees, and successors in interest agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

1. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq*., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

2. 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);

3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

4. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;

5. The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*), (prohibits discrimination on the basis of age);

6. Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;

9. The Federal Aviation Administration's Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

10. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

11. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, Air Carrier must take reasonable steps to ensure that LEP persons have meaningful access to Air Carrier's programs (70 Fed. Reg. at 74087 to 74100);

12. Title IX of the Education Amendments of 1972, as amended, which prohibits Air Carrier from discriminating because of sex in education programs or activities (20 USC 1681 et seq).

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APPENDIX F

DTC INFORMATION

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PROVISIONS FOR BOOK-ENTRY ONLY SYSTEM

The information set forth in this APPENDIX H is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC currently in effect. The information in this APPENDIX H concerning the DTC has been obtained from sources believed to be reliable, but the Authority does not take any responsibility for the accuracy, completeness or adequacy of the information in this APPENDIX H. Investors wishing to use the facilities of DTC are advised to confirm the continued applicability of the rules, regulations and procedures of DTC. The Authority will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of beneficial ownership interests in the 2024B Bonds held through the facilities of DTC or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

So long as Cede & Co. is the registered owner of the 2024B Bonds, as nominee for DTC, references herein and in the Trust Agreements to the Bondholders, registered owners or owners (or similar terms) of the 2024B Bonds shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the 2024B Bonds.

DTC Book-Entry-Only System

DTC will act as securities depository for the 2024B Bonds. The 2024B Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of each series of the 2024B Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the 2024B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2024B Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2024B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the 2024B Bonds, except in the event that use of the book-entry system for the 2024B Bonds is discontinued.

To facilitate subsequent transfers, all 2024B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of 2024B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2024B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2024B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2024B Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the 2024B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of 2024B Bonds may wish to ascertain that the nominee holding the 2024B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Senior Registrar or Subordinated Registrar, as applicable, and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2024B Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2024B Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2024B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the 2024B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participant's accounts upon DTC's receipt of funds and corresponding detail information from the Authority, the Senior Trustee or the Subordinated Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Senior Trustee, the Subordinated Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Senior Trustee and the Subordinated Trustee, as applicable, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2024B Bonds at any time by giving reasonable notice to the Authority, the Senior Trustee or the Subordinated Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

NEITHER THE AUTHORITY, THE SENIOR TRUSTEE NOR THE SUBORDINATED TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR THE PERSONS FOR WHICH THEY ACT AS NOMINEES WITH RESPECT TO THE 2024B BONDS, OR FOR ANY PRINCIPAL OF OR INTEREST PAYMENT THEREON.

The Authority, the Senior Trustee and the Subordinated Trustee may treat DTC (or its nominee) as the sole and exclusive registered owner of the 2024B Bonds registered in its name for the purposes of payment of the principal of, or interest on, the 2024B Bonds, giving any notice permitted or required to be given to registered owners under the Trust Agreements, registering the transfer of the 2024B Bonds, or other action to be taken by registered owners and for all other purposes whatsoever. The Authority, the Senior Trustee and the Subordinated Trustee shall not have any responsibility or obligation to any Direct or Indirect Participant, any person claiming a beneficial ownership interest in the 2024B Bonds under or through DTC or any Direct or Indirect Participant, or any other person which is not shown on the registration books of the Authority (kept by the Senior Trustee and the Subordinated Trustee) as being a registered owner, with respect to the accuracy of any records maintained by DTC or any Direct or Indirect Participant; the payment by DTC or any Direct or Indirect Participant of any amount in respect of the principal of or interest on the 2024B Bonds; any notice which is permitted or required to be given to registered owners thereunder or under the conditions to transfers or exchanges adopted by the Authority; or other action taken by DTC as registered owner.

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APPENDIX G

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by the Hillsborough County Aviation Authority (the "Issuer") and Digital Assurance Certification LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent" or "DAC"), in connection with the issuance of its Tampa International Airport Revenue Bonds, 2024 Series B (AMT) in the principal amount of $462,975,000 (the "2024B Bonds").

The 2024B Bonds are being issued under the provisions of a Codified and Restated Trust Agreement effective on and after March 9, 2022 (the "Restated Trust Agreement"), as supplemented and amended by a Supplemental Trust Agreement dated as of August 1, 2024 (the "2024 Supplemental Trust Agreement" and, together with the Restated Trust Agreement, the "Trust Agreement"), each by and between the Authority and The Bank of New York Mellon, as Trustee (the "Trustee," "Paying Agent" and "Registrar").

SECTION 1. PURPOSE OF THE DISCLOSURE AGREEMENT. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the 2024B Bonds and in order to assist the Participating Underwriters in complying with the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12.

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Trust Agreement which apply to any capitalized term used in this Disclosure Agreement, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2024B Bonds (including persons holding 2024B Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any 2024B Bonds for federal income tax purposes.

"Dissemination Agent" shall mean Digital Assurance Certification LLC, or any successor Dissemination Agent designated in writing by the Issuer, and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access system maintained by the Municipal Securities Rulemaking Board for purposes of the Rule, or any successor entity approved in accordance with the Rule.

"Financial Obligation" means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of an obligation or instrument described in either clause (a) or (b). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Participating Underwriters" shall mean the original underwriters of the 2024B Bonds required to comply with the Rule in connection with offering of the 2024B Bonds.

"Rule" shall mean the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. PROVISION OF ANNUAL REPORTS.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 180 days after the end of the Issuer's Fiscal Year (presently ends September 30), commencing with the report for the Fiscal Year ending September 30, 2024, provide to EMMA an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) Not later than fifteen (15) Business Days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). If the Dissemination Agent has not received an Annual Report by the date required in subsection (a), for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Dissemination Agent to immediately send a Failure to File Event notice to EMMA in substantially the form attached as Exhibit A without reference to the anticipated filing date for the Annual Report.

(c) If the Dissemination Agent is other than the Issuer, the Dissemination Agent shall file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided to EMMA.

SECTION 4. CONTENT OF ANNUAL REPORTS. The Issuer's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Issuer for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3 (a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) An update of the annual financial information and operating data from the following tables in the Official Statement:

1. "Airline Passenger Traffic Tampa International Airport (Fiscal Years Ended September 30)";

2. "Top Markets for Tampa International Airport"; and

3. "Airline Market Shares of Enplaned Passengers".

Relating to information to be provided to EMMA, the information provided under Section 4(b) may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from EMMA. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. REPORTING OF SIGNIFICANT EVENTS.

Pursuant to the provisions of this Section 5 below, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2024B Bonds in a timely manner (not in excess of ten (10) Business Days after the occurrence of the event):

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on the debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the 2024B Bonds;
7. Modifications to rights of holders of the 2024B Bonds, if material;
8. 2024B Bond calls, if material, and tender offers;
9. 2024B Bond defeasances;
10. Release, substitution, or sale of property securing repayment of the 2024B Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar proceeding of the Issuer. For purposes of this clause 12, any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;

13. A merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, the entry into a definitive agreement to undertake any such action or the termination of a definitive agreement relating to any such action, other than pursuant to the terms of any definitive agreement, if material;

14. Appointment of a successor or additional trustee or paying agent or the change of name of a trustee or paying agent, if material;

15. Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the Issuer, any of which reflect financial difficulties.

SECTION 6. TERMINATION OF REPORTING OBLIGATION. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2024B Bonds.

SECTION 7. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the 2024B Bonds or any other party. The initial Dissemination Agent shall be Digital Assurance Certification LLC.

SECTION 8. AMENDMENT; WAIVER. Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2024B Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (1) is approved by the Holders of the 2024B Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the 2024B Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. ADDITIONAL INFORMATION. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. DEFAULT. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, any Holder or Beneficial Owner of the 2024B Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Agreement; provided, however, the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with the provisions of this Disclosure Agreement shall be an action to compel performance. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Trust Agreement.

SECTION 11. BENEFICIARIES. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the 2024B Bonds, and shall create no rights in any other person or entity.

SECTION 12. NON-DISCRIMINATION. During the performance of this Disclosure Agreement, the Dissemination Agent and its respective assignees and successors in interest, agree as follows:

(a) In carrying out its services to the Authority, the Dissemination Agent will comply with the regulations relative to non-discrimination in federally assisted programs of the Department of Transportation (DOT) Title 49, Code of Federal Regulations, Part 21, as amended from time to time (hereinafter referred to as the Regulations), which are incorporated herein by reference and made a part of this Disclosure Agreement.

(b) Civil Rights. The Dissemination Agent, with regard to the work performed by it under this Dissemination Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Dissemination Agent will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when this Disclosure Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21. During the performance of this Dissemination Agreement, the Dissemination Agent, for itself, its assignees, and successors in interest agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);

2. 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);

3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

4. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;

5. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);

6. Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

9. The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

10. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

11. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, the Dissemination Agent must take reasonable steps to ensure that LEP persons have meaningful access to the Dissemination Agent 's programs (70 Fed. Reg. at 74087 to 74100); and

12. Title IX of the Education Amendments of 1972, as amended, which prohibits the Dissemination Agent from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

(c) In all solicitations either by competitive bidding or negotiation made by the Dissemination Agent for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier must be notified by the Dissemination Agent of the Dissemination Agent's obligations under this Disclosure Agreement and the Regulations relative to nondiscrimination on the grounds of race, color or national origin.

(d) The Dissemination Agent will provide all information and reports required by the Regulations or directives issued pursuant thereto and must permit access to its books, records, accounts, other sources of information and its facilities as may be determined by Authority or the FAA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of the Dissemination Agent is in the exclusive possession of another who fails or refuses to furnish this information, the Dissemination Agent will so certify to Authority or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

(e) In the event of the Dissemination Agent's non-compliance with the non-discrimination provisions of this Disclosure Agreement, Authority will impose such contractual sanctions as it or the FAA may determine to be appropriate, including, but not limited to, withholding of payments to the Dissemination Agent under this Disclosure Agreement until the Dissemination Agent complies, and/or cancellation, termination or suspension of this Disclosure Agreement, in whole or in part.

(f) The Dissemination Agent will include the provisions of Paragraphs (a) through (e) in every subcontract and subconsultant contract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued thereto. The Dissemination Agent will take such action with respect to any subcontract or procurement as Authority or the FAA may direct as a means of enforcing such provisions, including sanctions for non-compliance. Provided, however, that in the event the Dissemination Agent becomes involved in or is threatened with litigation with a subcontractor or supplier as a result of such direction, the Dissemination Agent may request Authority to enter into such litigation to protect the interests of Authority and, in addition, the Dissemination Agent may request the United States to enter into such litigation to protect the interests of the United States.

(g) The Dissemination Agent assures that, in the performance of its obligations under this Disclosure Agreement, it will fully comply with the requirements of 14 CFR Part 152, Subpart E (Non-Discrimination in Airport Aid Program), as amended from time to time, to the extent applicable to the Dissemination Agent, to ensure, among other things, that no person will be excluded from participating in any activities covered by such requirements on the grounds of race, creed, color, national origin, or sex. The Dissemination Agent, if required by such requirements, will provide assurances to Authority that the Dissemination Agent will undertake an affirmative action program and will require the same of its subconsultants.

SECTION 13. COMPLIANCE WITH CHAPTER 119, FLORIDA STATUTES PUBLIC RECORDS LAW. IF THE DISSEMINATION AGENT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE DISSEMINATION AGENT 'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS DISCLOSURE AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (813) 870-8721, ADMCENTRALRECORDS@TAMPAAIRPORT.COM, HILLSBOROUGH COUNTY AVIATION AUTHORITY, P.O. BOX 22287, TAMPA FL 33622. In carrying out its lending services under this engagement, the Dissemination Agent agrees in accordance with Florida Statute Section 119.0701 to comply with public records laws including the following:

(a) Keep and maintain public records required by Authority in order to perform the Services contemplated by this Disclosure Agreement.

(b) Upon request from Authority custodian of public records, provide Authority with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Fla. Stat. or as otherwise provided by law.

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Disclosure Agreement term and following completion of this Disclosure Agreement.

(d) Upon completion of this Disclosure Agreement, keep and maintain public records required by Authority to perform the Services. The Dissemination Agent shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to Authority, upon request from Authority custodian of public records, in a format that is compatible with the information technology systems of Authority.

SECTION 14. COMPLIANCE WITH SECTION 20.055(5) FLORIDA STATUTES. The Dissemination Agent agrees to comply with Section 20.055(5), Florida Statutes, and to incorporate in all subcontracts the obligation to comply with Section 20.055(5) Florida Statutes.

SECTION 15. GOVERNING LAW. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

SECTION 16. COUNTERPARTS. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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Dated as of August 22, 2024

HILLSBOROUGH COUNTY AVIATION AUTHORITY, as Issuer

____
Arthur F. Diehl III, Chairman

Countersigned:

____
Joseph W. Lopano, Chief Executive Officer

DIGITAL ASSURANCE CERTIFICATION LLC,
as Dissemination Agent

By: ______________________________
Name: ______________________________
Title: ______________________________

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Hillsborough County Aviation Authority, Florida

Name of Bond Issue: $462,975,000 Tampa International Airport Revenue Bonds, 2024 Series B (AMT)

Date of Issuance: August 22, 2024

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds issued pursuant to the Trust Agreement, as required by Sections 3 and 4 of the Continuing Disclosure Agreement dated August 22, 2024. The Issuer anticipates that the Annual Report will be filed by ______________________.

Dated: ____________________

ISSUER

By: ______________________________
Name:____________________________
Title:_____________________________

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APPENDIX H

FORM OF BOND COUNSEL OPINION

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FORM OF BOND COUNSEL OPINION

[Preliminary, subject to change]

August 22, 2024

Hillsborough County Aviation Authority
Tampa International Airport
Tampa, Florida 33607

Re: Hillsborough County Aviation Authority $462,975,000 Tampa International Airport Revenue Bonds, 2024 Series B (AMT)

Ladies and Gentlemen:

We have acted as Bond Counsel to the Hillsborough County Aviation Authority (the "*Authority*") in connection with the issuance and sale by the Authority of its Tampa International Airport Revenue Bonds, 2024 Series B (AMT) in the aggregate principal amount of $462,975,000 (the "*2024 Bonds*").

All terms used herein in capitalized form and not otherwise defined herein shall have the same meanings as ascribed to them under the Codified and Restated Trust Agreement effective on and after March 9, 2022 (the "*Codified Trust Agreement*"), as supplemented and amended from time to time including as amended by a Supplemental Trust Agreement dated as of July 1, 2024 and as further supplemented and amended by a Supplemental Trust Agreement dated as of August 1, 2024 (the "*2024 Supplemental Trust Agreement*"), each by and between the Authority and The Bank of New York Mellon, New York, New York, as Trustee. The Codified Trust Agreement, as so supplemented and amended, and the 2024 Supplemental Trust Agreement are collectively referred to herein as the "*Trust Agreement*."

The description of the 2024 Bonds in this opinion and other statements concerning the terms and conditions of the issuance of the 2024 Bonds do not purport to set forth all of the terms and conditions of the 2024 Bonds or any other document relating to the issuance thereof, but are intended only to identify the 2024 Bonds and to briefly describe certain features thereof.

The 2024 Bonds are dated the date of their delivery, have been issued in fully registered form and bear interest from that date at the rates described in, and shall be subject to the terms and conditions set forth in, Resolution No. 2024-96 of the Authority pertaining to the 2024 Bonds adopted on August 1, 2024 (the "*Resolution*"), the Trust Agreement and the 2024 Supplemental Trust Agreement.

The 2024 Bonds are being issued for the purpose of paying the costs of the 2024 Project, including capitalized interest on the 2024 Bonds, funding a reserve for the 2024 Bonds as part of the common Reserve Account and paying the costs of issuance incurred with respect thereto.

Pursuant to the Trust Agreement, the principal of and all interest on the 2024 Bonds are payable from and secured by a lien upon and pledge of the Revenues derived by the Authority from the operation of the Airport System to the extent and in the manner described in the Trust Agreement. The 2024 Bonds are payable from such Revenues on a parity with the Hillsborough County Aviation Authority Tampa International Airport Revenue Bond, 2017 Series A (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bond, 2018 Series B (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bond, 2018 Series C (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Bonds, 2018 Series E (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Bonds, 2018 Series F (Non-AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bond, 2021 Series A (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Bonds, 2022 Series A (AMT), the Hillsborough County Aviation Authority Tampa International Airport Revenue Bonds, 2022 Series B (Non-AMT) and the Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bonds, 2024 Series A (AMT), all currently outstanding under the Trust Agreement and any Additional Bonds hereafter issued pursuant to the terms of the Trust Agreement. The 2024 Bonds have not been designated as PFC Bonds and thus are not entitled to a security interest in or payments from PFC Revenues.

The 2024 Bonds and the obligations evidenced thereby do not constitute a general indebtedness of the Authority, Hillsborough County, the City of Tampa, or any other political subdivision of the State of Florida within the meaning of any constitutional, statutory or charter provision or limitation and shall not constitute a lien on any property of the Authority other than such Revenues and other funds pledged pursuant to the Trust Agreement. Bondholders do not have the right to require or compel the exercise of the ad valorem taxing power of any entity to pay the 2024 Bonds.

In rendering the opinions set forth below, we have examined certified copies of the Trust Agreement and are relying on the covenants and agreements of the Authority contained therein, including, without limitation, the covenant of the Authority to comply with the applicable requirements contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Internal Revenue Code of 1986, as amended (the "*Code*"), and the applicable regulations thereunder, to the extent necessary to preserve the exclusion of interest on the 2024 Bonds from gross income for federal income tax purposes.

We have also examined certified copies of the proceedings of the Authority, and other information submitted to us relative to the issuance and sale by the Authority of the 2024 Bonds. In addition to the foregoing, we have examined and relied upon such other agreements, documents, certificates and opinions, including certificates and representations of public officials, and officers and representatives of various parties participating in this transaction, as we have deemed relevant and necessary in connection with the opinions set forth below. Reference is made to the opinion of even date herewith of Michael Kamprath, Esq., Assistant General Counsel of the Authority, on which we rely as to the due creation and valid existence of the Authority, the due adoption of the Resolution, the due authorization, execution and delivery of the Trust Agreement, the 2024 Bonds and all documents associated with the issuance thereof, and the compliance by the Authority with all conditions precedent to the sale and delivery of the 2024 Bonds. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in such agreements, documents, certificates, representations and opinions, and have relied solely on the facts, estimates and circumstances described and set forth therein.

In rendering the opinions set forth below, we have also assumed the accuracy and truthfulness of all public records and of all certifications, agreements, documents, instruments and proceedings examined by us that have been executed or certified in connection with the 2024 Bonds, including by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof.

In our examination of the foregoing, we have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies. The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

Based upon and subject to the foregoing, we are of the opinion that, as of the date hereof and under existing law:

(1) The 2024 Bonds are valid and legally binding special obligations of the Authority, payable solely from the Revenues and other funds pledged therefor in the manner and to the extent described in the Trust Agreement.

(2) The interest on the 2024 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, except that no opinion is expressed as to the exclusion from gross income of interest on any 2024 Bond for any period during which such 2024 Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of a project financed or refinanced with the proceeds of the 2024 Bonds, or a "related person" to such a "substantial user."

It should be noted that interest on the 2024 Bonds will be treated as an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals under the Code and will be included in the "adjusted financial statement income" of certain corporations on which the federal alternative minimum tax is imposed under the Code.

The opinions expressed in the preceding two paragraphs are conditioned upon compliance by the Authority with its covenants relating to certain arbitrage rebate and other tax requirements contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code (including, without limitation, its covenants to comply with the requirements contained in Sections 142(a)(1) and 148 of the Code), to the extent necessary to preserve the exclusion of interest on the 2024 Bonds from gross income for federal income tax purposes. Failure of the Authority to comply with such requirements could cause the interest on the 2024 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2024 Bonds.

Other provisions of the Code may give rise to adverse federal income tax consequences to particular holders of the 2024 Bonds. The scope of the foregoing opinions is limited to matters addressed above and no opinion is expressed hereby regarding other federal tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2024 Bonds.

We express no opinion regarding any state tax or local consequences of acquiring, carrying, owning, or disposing of the 2024 Bonds. Owners of the 2024 Bonds should consult their tax advisors regarding the applicability of any state tax consequences of owning the 2024 Bonds.

Our opinions expressed herein are predicated upon current facts and circumstances, and upon present laws and interpretations thereof. We assume no affirmative obligation to update our opinions expressed herein if such facts, circumstances or laws or interpretations thereof change after the date of this opinion in a manner that may adversely affect the opinions contained herein or the exclusion from gross income of interest on the 2024 Bonds for federal income tax purposes, even if such changes come to our attention.

All opinions as to legal obligations of the Authority set forth above are subject to and limited by (a) bankruptcy, insolvency, reorganization, moratorium or similar laws, in each case relating to or affecting the enforcement of creditors' rights, (b) applicable laws or equitable principles that may affect remedies or injunctive or other equitable relief, and (c) judicial discretion which may be exercised in applicable cases to adversely affect the enforcement of certain rights or remedies.

This opinion shall not be deemed or treated as an offering circular, prospectus or official statement, and is not intended in any way to be a disclosure document used in connection with the sale or delivery of the 2024 Bonds.

In addition, in rendering the opinions set forth above we have not been requested to pass upon, and have not passed upon, the validity of any rate resolutions, use and lease agreements or agreements between the Authority and air carriers, rental car companies and concessionaires utilizing the Airport System.

We have not been engaged or undertaken to review, confirm or verify and therefore express no opinion as to the accuracy, completeness, fairness or sufficiency of any of the statements in the Official Statement relating to the 2024 Bonds, including the appendices thereto or other offering material relating to the 2024 Bonds (except to the extent stated in the Official Statement). In addition, we have not been engaged to and therefore express no opinion regarding the perfection or priority of the lien on Revenues or other funds created by the Trust Agreement, or as to the compliance by the Authority or the underwriters with any federal or state statute, regulation or ruling with respect to the offer, sale or distribution of the 2024 Bonds.

Our opinion is limited solely to the matters stated herein, and no opinion is to be implied or is intended beyond the opinions expressly stated herein.

Sincerely,

HOLLAND & KNIGHT LLP

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HILLSBOROUGH COUNTY AVIATION AUTHORITY, FLORIDA • TAMPA INTERNATIONAL AIRPORT REVENUE BONDS, 2024 SERIES B (AMT)

Tampa International Airport®

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